

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 2.10
(ID # 21279)

MEETING DATE:
Tuesday, February 28, 2023

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR CONTROLLER: Internal Audit Report 2023-303: Riverside County Office of County Counsel, Procurement Card, Follow-up Audit, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2023-303: Riverside County Office of County Counsel, Procurement Card, Follow-up Audit

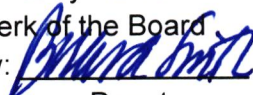
ACTION:Consent


Ben J. Benoit, COUNTY AUDITOR-CONTROLLER 2/15/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: February 28, 2023
xc: Auditor

Kimberly Rector
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost |
|-----------------------------|-----------------------------|--------------------------|------------------------------|---------------------|
| COST | \$ 0.0 | \$ 0.0 | \$ 0.0 | \$ 0.0 |
| NET COUNTY COST | \$ 0.0 | \$ 0.0 | \$ 0.0 | \$ 0.0 |
| SOURCE OF FUNDS: N/A | | | Budget Adjustment: No | |
| | | | For Fiscal Year: n/a | |

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

We completed a follow-up audit of the Riverside County Office of County Counsel. Our audit was limited to reviewing actions taken as of December 2, 2022, to correct findings noted in our original audit report 2021-007 dated April 21, 2022. The original audit report contained two recommendations, all of which required implementation to help correct the reported findings.

Based on the results of our audit, we found that of the two recommendations:

- The two recommendations were implemented.

For an in-depth understanding of the original audit, please refer to Internal Audit Report 2021-007

included as an attachment to this follow-up audit report or it can also be found at:

<https://auditorcontroller.org/divisions/internal-audit>

Impact on Residents and Businesses

Provide an assessment of internal controls over the audited areas.

SUPPLEMENTAL:

Additional Fiscal Information

Not applicable

ATTACHMENTS:

A: Riverside County Auditor-Controller - Internal Audit Report 2023-303: Riverside County Office of County Counsel, Procurement Card, Follow-up Audit.


Stephanie P. ..., Principal Management Analyst 2/21/2023

Internal Audit Report 2023-303

**Riverside County
Office of County Counsel
Procurement Card
Follow-up Audit**

Report Date: February 28, 2023



**Office of Ben J. Benoit
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Ben J. Benoit
Riverside County Auditor-Controller

Tanya S. Harris, DPA, CPA
Assistant Auditor-Controller

January 28, 2023

Minh Tran
County Counsel
Riverside County Office of County Counsel
3960 Orange Street, Suite 500
Riverside, CA 92501

**Subject: Internal Audit Report 2023-303: Riverside County Office of County Counsel,
Procurement Card, Follow-up Audit**

Dear Mr. Tran:

We completed the follow-up audit of Riverside County Office of County Counsel, Procurement Card. Our audit was limited to reviewing actions taken as of December 2, 2022, to help correct the findings noted in our original audit report 2021-007 dated April 20, 2021.

We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance that our objective, as described in the preceding paragraph, is achieved. Additionally, the standards require that we conduct the audit to provide sufficient, reliable, and relevant evidence to achieve the audit objectives. We believe the audit provides a reasonable basis for our conclusion.

The original audit report contained two recommendations, all of which required implementation to help correct the reported findings. Based on the results of our audit, we found that both recommendations were implemented.

**Internal Audit Report 2023-303: Riverside County Office of County Counsel,
Procurement Card, Follow-up Audit**

Summary of the conditions from the original audit and the results of our review on the status of the implementation of the recommendations are provided in this report. For an in-depth understanding of the original audit, please refer to Internal Audit Report 2021-007 included as "Attachment A" of this audit report along with your department status letter as "Attachment B". You can also find the original audit report at <https://auditorcontroller.org/divisions/internal-audit>.

We thank you and your staff for your help and cooperation. The assistance provided contributed significantly to the successful completion of this audit.



Ben J. Benoit
Riverside County Auditor-Controller



By: René Casillas, CPA, CRMA
Deputy Auditor- Controller

cc: Board of Supervisors
Jeff A. Van Wagenen, County Executive Officer
Dave Rogers, Chief Administrative Officer
Grand Jury

Internal Audit Report 2023-303: Riverside County Office of County Counsel,
Procurement Card, Follow-up Audit

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Attachments:

- A. Internal Audit Report 2021-007
- B. Status of Findings as Reported by December 2, 2022.

Internal Audit Report 2023-303: Riverside County Office of County Counsel,
Procurement Card, Follow-up Audit

Procurement Cards

Finding 1: Compliance with Procurement Card Policies

“Three monthly statements were tested, and we found five instances of non-compliance with the procurement card policies and procedures. We identified the following deficits in the review of procurement card expenditures and supporting documentation:

- Two expenditures for travel extended beyond the conference dates. The Riverside County Procurement Card Program Procedure Handbook, *Department Accounting Office Responsibilities*, states, "The Department Accounting Office is to review supporting documentation to ensure that it is adequate to justify each purchase, and that all purchases comply with County and Department procedures," and the *Controls* section states, "This procurement card at no time is to be used for personal purchases."
- One travel authorization did not receive proper approval. Board Policy D-1, *Reimbursement for General Travel and Other Actual and Necessary Expenses*, travel expenses require prior authorization signed by the County Executive Officer/ designee or the department head.
- In one instance the department approver did not sign the monthly procurement card purchase report and statement of account.
- The department does not have a designated approving official that differs from the billing official.

Standard Practice Manual 1001, Internal Controls, states, "Duties are divided or segregated so that no one person has complete control over a key function or activity." It also states, "Well-documented policies and procedures are established and maintained to promote employee understanding." Procurement card non-compliance in travel expenditures and proper approvals occurred as a result of department oversight. When internal controls are not in place to ensure compliance with county policies and procedures, there is the potential for misuse or misappropriation of public resources, it reduces program efficiencies, and weakens the integrity of the procurement card program."

Internal Audit Report 2023-303: Riverside County Office of County Counsel,
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Recommendation 1.1

“Ensure procurement cardholders comply with travel purchases as they relate to Board Policy, D-1.”

Current Status 1.1: Implemented

Recommendation 1.2

“Ensure procurement card approval responsibilities are designated and approvals are completed by the authorized individuals.”

Current Status 1.2: Implemented