

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



**ITEM: 2.8**  
(ID # 21626)

**MEETING DATE:**  
Tuesday, May 02, 2023

**FROM :** AUDITOR CONTROLLER:

**SUBJECT:** AUDITOR-CONTROLLER: Internal Audit Report 2023-323: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit, All Districts. [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Receive and file Internal Audit Report 2023-323: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit

**ACTION:**Consent

  
Ben J. Benoit, COUNTY AUDITOR-CONTROLLER 4/14/2023

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Washington, seconded by Supervisor Gutierrez 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: May 2, 2023  
xc: Auditor-Controller

Kimberly A. Rector  
Clerk of the Board

By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
<b>NET COUNTY COST</b>	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: n/a</b>	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

We completed a follow-up audit of the Riverside County Transportation and Land Management Agency, Transportation Department. Our audit was limited to reviewing actions taken as of February 9, 2023, to correct findings noted in our original audit report 2022-016 dated March 22, 2022. The original audit report contained four recommendations, all of which required implementation to help correct the reported findings.

Based on the results of our audit, we found that all four recommendations were implemented.

For an in-depth understanding of the original audit, please refer to Internal Audit Report 2022-016 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 2023-323: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit.

  
 Stephanie P., Principal Management Analyst      4/24/2023

**Internal Audit Report 2023-323**

**Riverside County  
Transportation and Land Management Agency,  
Transportation Department  
Follow-up Audit**

**Report Date: April 18, 2023**



**Office of Ben J. Benoit  
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**COUNTY OF RIVERSIDE**  
OFFICE OF THE  
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**Ben J. Benoit**  
Riverside County Auditor-Controller

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

April 18, 2023

Charissa Leach  
Assistant County Executive Officer  
Riverside County TLMA, Transportation Department  
4080 Lemon Street, 14<sup>th</sup> Floor  
Riverside, CA 92501

**Subject: Internal Audit Report 2023-323: Riverside County Transportation and Land Management Agency, Transportation Department Follow-up Audit**

Dear Ms. Leach:

We completed the follow-up audit of Riverside County Transportation and Land Management Agency, Transportation Department. Our audit was limited to reviewing actions taken as February 9, 2023, to help correct the findings noted in our original audit report 2022-016 dated March 22, 2022.

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 four recommendations, all of which required implementation to help correct the reported findings. Based on the results of our audit, we found that all four recommendations were implemented.

**Internal Audit Report 2023-323: Riverside County Transportation and Land Management Agency, Transportation Department, 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 2022-016 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 the 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 2023-323: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit

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Internal Audit Report 2023-323: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit

**Application Controls**

**Finding 1: Access Rights Documentation and Management**

“Documentation detailing when AssetWorks access was granted or terminated to Transportation employees is not maintained. As such, we were unable to verify if AssetWorks’ accounts were authorized by appropriate personnel and accounts were disabled 24 hours after an employee’s departure. County of Riverside Information Security Standard v1.0, Section 4.1, *Account and Access Management*, states, ‘Accounts shall only be created following documented, signed approval by the authorized individual or parties within the organization.’ It further states, ‘Accounts for terminated or transferred employees shall be disabled or removed on the day of termination or transfer.’ Transportation relies in verbal and email request to grant and terminate access for employees and does not formally document any of the request. Maintaining documentation that details whether access was granted or terminated will ensure the system application access rights are actively managed, application information is safeguarded, and the risk of employees misusing county resources through the use of employee credentials such as county fuel, is mitigated.”

**Recommendation 1.1**

“Ensure the department maintains documentation of employee access/termination right for system applications used.”

**Current Status 1.1: Implemented**

**Recommendation 1.2**

“Create and implement a written request form to include name of supervisor/manager granting permission, when access was granted/terminated, security role granted, and signature of supervisor/manager”

**Current Status 1.2: Implemented**

Internal Audit Report 2023-323: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit

Purchasing Processes

Finding 2: Purchase Orders

“Riverside County purchasing policies and procedures were not followed. Purchase orders were split and circumvented low value purchase authority limitations of \$25,000 per day per vendor for expenditures against contracted vendors for 381 (14%) of 2,715 instances, totaling \$3,742,099. The Purchasing Policy Manual states, ‘low value purchase authority allows departmental staff the ability to issue LVPOs up to the amount of \$5,000 per day per vendor and issues purchase orders up to the dollar value of \$25,000 against existing PeopleSoft Contracts.’ The Purchasing Policy Manual further states, ‘deliberate attempts to split orders, where the purpose is keeping total cost of each order down below bid limits, and failure to combine orders when practical for the best interest of the County in order to circumvent the limitations, is prohibited.’ Personnel state they were not aware of purchasing order limitations. The splitting of purchase orders can result in unauthorized commitments and increases the likelihood of improper payments. Furthermore, when purchase orders are split into smaller components, it circumvents the formal bid requirements designed to ensure the best use of taxpayer dollars.”

Recommendation 2.1

“Develop a process to maintain compliance with purchasing authority limitations as set forth in the Riverside County Purchasing Manual.”

Current Status 2.1: Implemented

Recommendation 2.2

“Ensure that staff is trained and knowledgeable on the Riverside County Purchasing Manual.”

Current Status 2.2: Implemented