

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



ITEM: 2.6
(ID # 23238)

MEETING DATE:
Tuesday, October 17, 2023

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR-CONTROLLER: Internal Audit Report 2024-306: Riverside County Community Action Partnership Follow-up Audit, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2024-306: Riverside County Community Action Partnership Department, Follow-up Audit

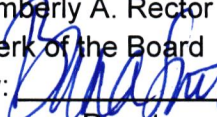
ACTION: Consent


Ben J. Benoit, COUNTY AUDITOR-CONTROLLER 10/9/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Spiegel 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: October 17, 2023
xc: Auditor Controller, Comm. Action P' ship. Dept.

Kimberly A. 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:

BACKGROUND:

Summary

We completed a follow-up audit of the Riverside County Community Action Partnership Department. Our audit was limited to reviewing actions taken as of June 26, 2023, to correct findings noted in our original audit report 2022-008 dated January 11, 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 the four recommendations were implemented.

For an in-depth understanding of the original audit, please refer to Internal Audit Report 2022-008 included as an attachment to this follow-up audit report, or it can also be found at:

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

Impact on Citizens 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 2024-306: Riverside County Community Action Partnership Department, Follow-up Audit.

Office of Ben J. Benoit
Riverside County Auditor-Controller

4080 Lemon Street, 11th Floor

Riverside, CA 92509

(951) 955-3800

Internal Audit Report 2024-306

Follow-up

4 Recommendations

- ✓ 4 Implemented
- ▶ 0 Partially Implemented
- ✗ 0 Not Implemented



Community Action Partnership Follow-up Audit

October 17, 2023



**COUNTY OF RIVERSIDE
OFFICE OF THE
AUDITOR-CONTROLLER**

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Ben J. Benoit
County Auditor-Controller

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

October 17, 2023

Heidi Marshall

Director

Riverside County Housing and Workforce Solution, Community Action Partnership
3403 Tenth St., Ste.300
Riverside, CA 92501

Subject: Internal Audit Report 2024-306: Riverside County Community Action Partnership Follow-up Audit

Dear Ms. Marshall:

We completed the follow-up audit of Community Action Partnership. Our audit was limited to reviewing actions taken as of June 26, 2023, to help correct the findings noted in our original audit report 2022-008 dated January 11, 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.

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 08-

**Internal Audit Report 2024-306: Riverside County Community Action Partnership,
Follow-up Audit**

2022 included at "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/reports>.

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, Jr., County Executive Officer
Dave Rogers, Chief Administrative Officer
Grand Jury

Internal Audit Report 2024-306: Riverside County Community Action Partnership,
Follow-up Audit

Table of Contents

	Page
Results:	
Program Eligibility	4

Attachments:

A. Internal Audit Report 2022-008

B. Status of Findings as reported by Community Action Partnership June 26, 2023

Internal Audit Report 2024-306: Riverside County Community Action Partnership,
Follow-up Audit

Program Eligibility

Finding 1: Program Income Eligibility

“Emergency procedure to validate the income of participants for their Savings for Success and Tech for Success Programs are not documented. We sampled 20 participants for each of the programs and determined the following:

- Two out of 20 (10%) Saving for Success sampled participant’s adjusted gross income (AGI) was not used to determine program eligibility.
- Nine out of 10 (90%) Tech for Success sampled participant’s income could not be verified.

Office of Community Services requires participants to meet income requirements which states, “adjusted gross income of the household is equal to or less than 200 percent of the poverty line (as determined by the Office of Management and Budget).” Furthermore, CSD Program Advisory *CPA-C-20-01*, states, “If an affected individual or family does not have access to income eligibility documentation, agencies may consider establishing emergency procedures to validate income.” It further states, “Procedures may include flexibility to reduce the amount of documentation required, and/or to accept self-certification when eligibility documentation is not available to meet immediate emergency needs.” Additionally, Riverside County Auditor-Controller’s Standard Practice Manual 1001, *Internal Control*, defines internal controls as the “Well documented policies and procedures are established and maintained to promote employee understanding of job duties, provide day-to-day guidance to staff and help ensure continuity during employee absences or turnover.” Community Action Partnership relies on employee judgment to determine which methods can be used for income verification. Having written emergency policies helps strengthen the integrity of qualifications to receive assistance, ensures consistency and continuity in the business process, and ensures equitable distribution of assistance.”

Recommendation 1.1

“Ensure Community Action Partnership is verifying the applicant’s income to meet Saving for Success eligibility as required by program guidelines and requirements “

**Internal Audit Report 2024-306: Riverside County Community Action Partnership,
Follow-up Audit**

Current Status 1.1: Implemented.

Recommendation 1.2

“Develop emergency written income verification procedures for Savings for Success and Tech for Success programs.”

Current Status 1.2: Implemented.

Finding 2: Tech for Success Applicant Review

“Intake forms are not evidenced with date and signature from a reviewer for 20 out of 20 (100%) randomly selected applicants. As such, there is no evidence that reviews are being performed. Riverside County Auditor-Controller’s Standard Practice Manual 1001, *Internal Controls*, states, “Transactions are authorized by a person assigned approval authority.” Community Action Partnership relies on employees’ judgment to determine proper review and oversight of the application process and does not require a signature to document sufficient levels of approval. Inadequate monitoring of customer intake forms can result in program inefficiencies and misrepresentation of program integrity, abuse, and non-compliance with funding grants. ”

Recommendation 2.1

“Ensure intake forms are reviewed and approved by designated personnel and evidenced with dates and signatures.”

Current Status 2.1: Implemented.

Recommendation 2.2

“Establish policies and procedures for the intake process to include secondary review and approval.”

Current Status 2.2: Implemented.