

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



ITEM: 2.10
(ID # 23546)

MEETING DATE:
Tuesday, December 05, 2023

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR-CONTROLLER: Internal Audit Report 2024-301: Riverside County Department of Veteran's Services, Follow-up Audit, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2024-301: Riverside County Department of Veteran's Services, Follow-up Audit

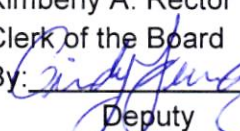
ACTION:Consent


Ben J. Benoit, COUNTY AUDITOR-CONTROLLER 11/28/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, 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 and Perez and Gutierrez
Nays: None
Absent: None
Date: December 5, 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**

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 Department of Veteran's Services. Our audit was limited to reviewing actions taken as of June 9, 2023, to correct findings noted in our original audit report 2022-003 dated December 7, 2021. The original audit report contained three recommendations, all of which required implementation to help correct the reported findings.

Based on the results of our audit, that of the three recommendations:

- Two of the recommendations were implemented.
- One of the recommendations was not implemented.

For an in-depth understanding of the original audit, please refer to Internal Audit Report 2022-003 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 2024-301: Riverside County Department of Veteran's Services, Follow-up Audit.

Internal Audit Report 2024-301

Follow-up

3 Recommendations

- ✓ 2 Implemented
- ▶ 0 Partially Implemented
- ✗ 1 Not Implemented



**Riverside County
Department of Veteran's Services
Follow-up Audit**

November 28, 2023



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

Ben J. Benoit, Auditor-Controller
Tanya S. Harris, DPA, CPA, Assistant Auditor-Controller

4080 Lemon Street, 11th Floor
P.O. Box 1326
Riverside, CA 92502-1326
951-955-3800



November 28, 2023

Gregory Coffos
Director
Riverside County Department of Veteran's Services
4360 Orange Street
Riverside, CA 92501

**Subject: Internal Audit Report 2024-301: Riverside County Department of Veteran's Services
Follow-up Audit**

Dear Mr. Coffos:

We completed the follow-up audit of Veteran's Services. Our audit was limited to reviewing actions taken as of June 9, 2023, to help correct the findings noted in our original audit report 2022-003 dated December 7, 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 three recommendations, all of which required implementation to help correct the reported findings. Based on the results of our audit, we found that of the three recommendations:

- Two of the recommendations were implemented.
- One of the recommendations was not implemented.



Internal Audit Report 2024-301: Riverside County Department of Veteran's Services, 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 2022-007 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/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 2024-301: Riverside County Department of Veteran’s Services, Follow-up Audit

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Internal Audit Report 2024-301: Riverside County Department of Veteran's Services, Follow-up Audit

Deposits Tracking and Recording

Finding 1: Tracking and Recording of Deposit Transactions

"Deposits for reimbursements from the state are not consistently tracked and recorded to the respective operating fund. We identified three (15%) of 20 transactions totaling \$82,872 which were not accurately tracked and recorded to the respective operating fund. The Standard Practice Manual 1001, *Internal Control*, states, "In order to achieve the internal control's objectives, departments must follow the methods and procedures to ensure the reasonable assurance on accuracy, reliability and timeliness of financial records and reports." It was noted that the department relies on another department to assist them with the financial reporting duties, who is not involved in the department's daily operations. This impacts management's ability to accurately track the reimbursements received from the state and its ability to accurately record and report financial information."

Recommendation 1.1

"Develop a process for tracking deposits to ensure reimbursements are recorded to the respective operating fund."

Current Status 1.1: Implemented

Recommendation 1.2

"Assign the financial accounting and reporting duties to a staff who is involved in the department's daily operations to ensure consistency in tracking and recording of deposit transactions."

Current Status 1.2: Implemented



Internal Audit Report 2024-301: Riverside County Department of Veteran's Services, Follow-up Audit

Outreach Activities

Finding 2: Compliance with Grant Agreements

"Payments for services provided by Behavioral Health are processed without obtaining complete documentation and information required by the respective grant. We identified three (100%) out of three invoices received did not contain the locations where services were provided or the hourly times of staff providing the services. The State of California – Department of General Services, the standard agreement, Budget Details and Payment Provisions - Exhibit B, states, "all invoices/claims must be completed thoroughly and legibly, with all applicable fields completed. Invoices/claims that are submitted to the appropriate location but have been altered, or are inaccurate, or do not provide all necessary information will not be accepted. Invoices/claims submitted shall include location where services were performed, time in and time out." The County is subject to the examination and audit of the State Auditor in accordance with Government Code section 85467.7. Missing required information and documentation will lead to non-compliance with grant requirements and as stated in the grant agreement, Proposition 63, "The agreement can be immediately terminated for cause. The term "for cause" means that the county fails to meet the terms, conditions, and/or responsibilities of the grant."

Recommendation 2

"Ensure invoices received from Behavioral Health contain the location of services, sign in and out of times staff providing services as well as other requirements outlined in Exhibit B, Budget Details and Payment Provisions, State of California – Department of General Services, grant standard agreement."

Current Status 2: Not Implemented

Based on our review of six invoices, six of them (100%) did not contain the locations where services were provided or the hourly times of staff providing the services.

Management's Response

"The Behavioral Health Services Administrator for RUHS, for which we have an MOU with regarding this position, stated RUHS originally does not currently track the location of services and that there is not a way to go back and track all the locations for services at this point. The position has now been vacant since August of 2022.



**Internal Audit Report 2024-301: Riverside County Department of Veteran's Services, ~~2024~~
Follow-up Audit**

Moving forward, The Behavioral Health Services Administrator for RUHS and myself have agreed that location of services will be generated through an active outreach tracker that RUHS will require for their VSL when the position is refilled.”