

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



ITEM: 2.4
(ID # 23515)

MEETING DATE:
Tuesday, November 28, 2023

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR-CONTROLLER: Internal Audit Report 2024-315: Riverside County Department of Animal Services, Change of Department Head, Follow-up Audit, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2024-315: Riverside County Department of Animal Services, Change of Department Head, Follow-up Audit

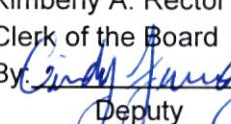
ACTION:Consent


Ben J. Benoit, COUNTY AUDITOR-CONTROLLER 11/13/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, 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: November 28, 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:

BACKGROUND:

Summary

We completed a change of department head follow-up audit of the Department of Animal Services. Our audit was limited to reviewing actions taken as of July 5, 2023, to correct findings noted in our original audit report 2022-024 dated July 12, 2022. The original audit report contained five recommendations, all of which required implementation to help correct the reported findings.

Based on the results of our follow-up audit, we found that out of the five recommendations all were implemented.

For an in-depth understanding of the original audit, please refer to Internal Audit Report 2022-024 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 2024-315: Riverside County Department of Animal Services 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 2024-315

Follow-up

5 Recommendations

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



Riverside County Department
of Animal 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

Erin Gettis
Director
Riverside County Department of Animal Services
6851 Van Buren Blvd
Jurupa Valley, CA 92509

**Subject: Internal Audit Report 2024-315: Riverside County Department of Animal Services,
Change of Department Head, Follow-up Audit**

Dear Ms. Gettis:

We completed the follow-up audit of the Department of Animal Services. Our audit was limited to reviewing actions taken as of July 5, 2023, to help correct the findings noted in our original audit report 2022-024 dated July 12, 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 five recommendations, all of which required implementation to help correct the reported findings. Based on the results of our audit, we found that out of the five recommendations all 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 2022-024 included as "Attachment A" of this audit report along with your department status letter as "Attachment B."



Internal Audit Report 2024-315: Riverside County Department of Animal Services, Change of Department Head, Follow-up Audit

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 2024-315: Riverside County Department of Animal Services, Change of Department Head, Follow-up Audit

Table of Contents

	Page
Results:	
Revolving Fund	4
Capital Assets	5
Attachments:	
A. Internal Audit Report 2022-024	
B. Status of Findings as Reported by Riverside County Department of Animal Services on July 5, 2023	



Internal Audit Report 2024-315: Riverside County Department of Animal Services, Change of Department Head, Follow-up Audit

Revolving Funds

Finding 1: Revolving Fund Compliance

"Based upon the result of our audit, we identified the following deficiencies as it relates to the revolving fund:

- Monthly fund balance reconciliations were not timely conducted. During our review of the revolving fund reconciliation documentation, we identified 2 out of 4 monthly reconciliations were not timely performed. In addition, cash count at 3 sites were conducted and certified at different weeks of the reconciling month which did not provide a snapshot of the fund balance at the time the reconciliation was performed. Standard Practice Manual 603, *Revolving Funds*, states, 'The Custodian must reconcile the Revolving Fund on a monthly basis. The reconciliation ensures that the sum of outstanding reimbursements, cash, and compiled receipts is equal to the original amount of the Fund.' In addition, Standard Practice Manual 1001, *Internal Controls*, also states, 'Records are routinely examined and reconciled to determine that transactions were properly processed.' The department's cash count and reconciling process was not standardized and functioning effectively. Adopting a process that ensures consistent and timely revolving fund balance reconciliation will enable department to timely detect and correct any discrepancies and ensure compliance with the county policy.
- Department is not in compliance with its own policy as it relates to the cash handling training requirement. In our review of the cash shortage/ overage, we found the 2 cash shortage events in which staff reporting the cash shortage did not attend the refresher cash handling course. County of Riverside Animal Services Policy 000-24, *Cash Box Issuance*, states, 'Employee who is authorized to sign out cash box must attend a cash handling course. Anytime a shortage or overage is noted, the individual who signed the cash box cash out and their supervisor, during the shift where the overage/ shortage occurred, shall be required to attend a refresher cash handling course.' Cash handling staff did not complete the required refresher training due to department oversight, as such training requirement was not fulfilled and documented. Cash handling training is provided to employees who directly handle cash on daily operations to ensure compliance with department policies and how to handle, secure, and process cash."

Recommendation 1.1

"Establish a formal procedure over the revolving fund monthly reconciliation process in accordance with the Standard Practice Manual 603, *Revolving Fund*, and Standard Practice Manual 1001, *Internal Controls*.



Internal Audit Report 2024-315: Riverside County Department of Animal Services, Change of Department Head, Follow-up Audit

Current Status 1.1: Implemented

Recommendation 1.2

“Ensure cash handling training is conducted and documented in accordance with Animal Services Department Policy 000-24, *Cash Box Issuance*.”

Current Status 1.2: Implemented

Capital Assets

Finding 2: Capital Asset Compliance

“We identified the following deficiencies in our review of capital assets:

- The assigned asset tags were not affixed to the assets. Three out of 14 selected capital assets were found without county asset tag affixed. Standard Practice Manual 513, *Asset Tags*, states, ‘County departments, agencies, special districts and authorities are required to properly tag individual capital asset in order to maintain proper control over owned asset’, and ‘tags should stay with the asset until it is retired.’ Tagging of capital asset is an internal control designed to provide a method for identifying capital assets and aid in the annual capital asset physical inventory.
- Capital asset certifications and asset management listing did not reflect the asset physical inventory. Our physical inventory review identified the following discrepancies:
 - Five (35.7%) out of 14 selected assets in the vehicle categories in which Fleet Services department issued asset tracking number to Animal Services. However, the asset tracking number attached to these assets did not match with the asset management module tag number records.
 - Two (14.3%) out of 14 reviewed assets in which the serial number did not match with the serial number entered in the asset management module.
 - One capital asset was found at Animal Services location that did not belong to department. This asset was reported as missing and was removed in the asset management module by Riverside County Information Technology Department.



Internal Audit Report 2024-315: Riverside County Department of Animal Services, Change of Department Head, Follow-up Audit

Standard Practice Manual 515, *Capital Asset Certifications*, states, 'In accordance with California Government Code section 24051, the head of each entity shall file with the County Auditor-Controller a complete capital asset inventory, under oath, showing in detail all capital assets (i.e., buildings, and equipment) in the entity's possession at the close of business on June 30th of each fiscal year. This constitutes taking a complete physical inventory of all Capital Assets and certifying the results.' When assets are not accounted for or properly identified in the asset module, they could result in an understatement or overstatement of capital assets.

The capital asset policy was developed to improve the efficiency of tracking assets. We have addressed the issues regarding the capital asset tags and physical inventory with the department in the past and would like to draw attention on the controls over this area to ensure department compliance with the county policies and procedures."

Recommendation 2.1

"Ensure capital assets are affixed with a county tag in accordance with the Standard Practice Manual 513, *Asset Tags*."

Current Status 2.1: Implemented

Recommendation 2.2

"Ensure capital asset information is entered in PeopleSoft Asset Module in accordance with the Standard Practice Manual 513, *Asset Tags*."

Current Status 2.2: Implemented

Recommendation 2.3

"Establish procedures to perform annual physical inventory of all capital assets in the department's possession in accordance with the Standard Practice Manual 515, *Capital Asset Certification*."

Current Status 2.3: Implemented