

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



ITEM: 2.6  
(ID # 27525)

MEETING DATE:  
Tuesday, April 08, 2025

FROM : AUDITOR CONTROLLER

SUBJECT: AUDITOR-CONTROLLER: 2025-316: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit [District: All]; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2025-316: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit

ACTION: Consent

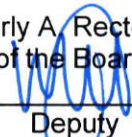
  
Ben J. Benoit, COUNTY AUDITOR-CONTROLLER 3/28/2025

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MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Medina, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: April 8, 2025  
xc: Auditor

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>	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
<b>NET COUNTY COST</b>	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
<b>SOURCE OF FUNDS:</b> N/A			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	N/A

**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 18, 2025, to correct findings noted in our original audit report 2024-014 dated September 17, 2024. 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 the two recommendations were implemented.

For an in-depth understanding of the original audit, please refer to Internal Audit Report 2024-014 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 2025-316: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit



Office of Ben J. Benoit  
Riverside County Auditor-Controller

# Internal Audit Report

## 2025-316

### Follow-up

### 2 Recommendations

- ✓ 2 Implemented
- ✗ 0 Not Implemented
- ⚡ 0 Not Applicable



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

April 8, 2025



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

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

4080 Lemon Street, 6<sup>th</sup> Floor  
P.O. Box 1326  
Riverside, CA 92502-1326  
951-955-3800



April 8, 2025

Rania Odenbaugh

Director

Riverside County Transportation and Land Management Agency, Transportation Department

4080 Lemon St, 14<sup>th</sup> Floor

Riverside, CA 92501

**Subject: Internal Audit Report 2025-316: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit**

Dear Ms. Odenbaugh:

We completed the 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 18, 2025 to help correct the findings noted in our original audit report 2024-014 dated September 17, 2024.

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 the two 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 2024-014 included as





**Internal Audit Report 2025-316: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit**

"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, County Executive Officer  
Juan Perez, Chief Operating Officer  
Dennis Acuna, Director of Transportation  
Grand Jury



**Internal Audit Report 2025-316: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit**

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## Internal Audit Report 2025-316: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit

### Vehicle Maintenance

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#### Finding 1: Segregation of Duties

"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,' and further emphasizes, the need for employees to 'receive appropriate training and guidance necessary to ensure that control processes function properly and suspected improprieties are reported appropriately.'

Of the 62 work orders randomly selected for testing, we identified the following:

- Eleven work orders (18%) had one employee signing off on the entire work order process, opening, finishing, and closing. This concentration of control within a single individual could lead to operational risks such as unmonitored performance, biases in handling the tasks, and a greater vulnerability to unauthorized activities. The absence of a 2-party verification can also undermine the integrity of the work order process.
- Six work orders (10%) involved an employee completing the work on a work order and closing out the work order. In these instances, an employee working on the work order is closing without any quality control documented by management to ensure monitoring of the work completed.
- Seven work orders (11%) involved accounting staff, who are not directly engaged in creating, servicing, or reviewing the work orders, yet they completed certain steps in the process.

The vehicle maintenance system that Transportation utilizes records the name of the user who makes changes as the one who completed the step, overriding the fields regardless of who originally opened, finished, or closed the work order. Within the system, there is no process in place to track changes made to the work orders. Additionally, the system lacks the capability to show the history of changes or maintain an audit trail. This lack of tracking and evidence of segregation of duties increases the risk of vehicle parts misappropriation, compromised accountability, inadequate departmental oversight, and diminished service quality."

#### Recommendation 1.1

"Develop policies and procedures to document notes with reason for delays and modification on work orders to formally track delays and changes."

#### Current Status 1.1: Implemented



## **Internal Audit Report 2025-316: Riverside County Transportation and Land Management Agency, Transportation Department, Follow-up Audit**

### **Recommendation 1.2**

"Develop training to enhance the technological proficiency of all mechanics, in regard to the work order process."

**Current Status 1.2: Implemented**