

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



115

**FROM:** County Auditor-Controller

**SUBMITTAL DATE:**  
June 16, 2005

**SUBJECT:** Internal Auditor's Report #2005-011 – Riverside County Cooperative Extension

**RECOMMENDED MOTION:** Receive and file the Internal Auditor's Report.

**BACKGROUND:** The Auditor-Controller completed an audit of the Riverside County Cooperative Extension. Our primary objective was to determine the existence and adequacy of internal controls over the department's processes and fiscal procedures.

Based upon the results of our audit, the department's financial records and reports were accurate and reliable. In addition, we believe the department had an adequate system of internal controls over the expenditure and cash handling processes.

Departmental Concurrence

*Robert E. Byrd*  
\_\_\_\_\_  
Robert E. Byrd  
County Auditor-Controller

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

<b>SOURCE OF FUNDS:</b> N/A	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** **RECEIVE & FILE**

**County Executive Office Signature** *Dennis C. Vander...*  
\_\_\_\_\_

- Dept't Recomm.:  Consent  Policy
- Per Exec. Ofc.:  Consent  Policy

**Prev. Agn. Ref.:** \_\_\_\_\_ **District:** \_\_\_\_\_ **Agenda Number:** \_\_\_\_\_

2.9



OFFICE OF THE  
COUNTY AUDITOR-CONTROLLER

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Robert E. Byrd, CGFM  
AUDITOR-CONTROLLER

Ivan Chand, CGFM  
ASSISTANT AUDITOR-CONTROLLER

June 16, 2005

Ms. Peggy A. Mauk, County Director  
Riverside County Cooperative Extension  
21150 Box Springs Road, Suite 202  
Moreno Valley, CA 92557

Subject: Internal Auditor's Report #2005-011 – Riverside County Cooperative Extension

Dear Ms. Mauk:

We have completed an audit of the Riverside County Cooperative Extension Department. We conducted the audit during the period May 2005 through June 2005, for operations of July 1, 2003 through May 31, 2005.

The purpose of the audit was to evaluate the adequacy of the internal controls over the Riverside County Cooperative Extension's processes and fiscal procedures.

We conducted our audit in accordance with the auditing standards established by the Institute of Internal Auditors. These standards require that we plan and perform the audit to provide sufficient, competent, and relevant evidence to achieve the audit objectives. We believe the audit provides a reasonable basis for our conclusions.

Our review consisted of interviews with applicable Riverside County Cooperative Extension personnel; and the evaluation of general financial operations, such as, travel and purchasing expenditures, and cash collections. The results of our audit are as follows:

- ◆ We noted the department followed good internal control procedures over the expenditure process. Invoices for purchases provided by outside vendors, such as: communication services, maintenance services and travel expense reimbursements are reviewed and approved by management and forwarded to the appropriate department personnel for processing in OASIS (Online Administrative Services Information System).

The department leases office space from Facilities Management. Periodically, Facilities Management submits an invoice and journal entry worksheet to the department for review and approval. Upon approval, the department completes and returns the journal entry worksheet to Facilities Management for processing in OASIS.

- ◆ The cash handling process followed good internal control procedures where cash collections were restricted to the main office in Moreno Valley. Receipts were stored in locked cabinets or safes with limited access, checks were restrictively endorsed upon receipt, and Official County Receipts were issued for all monies received. Cash receipts were reconciled daily with the deposit report and supporting documentation. Procedures existed to ensure collections were recorded accurately and promptly with management's review.

Based upon the results of our testing, we determined no significant issues existed over the department's expenditure and cash handling processes. All minor concerns were communicated with the appropriate level of management. Overall, we believe the department had an adequate system of internal controls in place over the expenditure and cash handling processes.

We thank the Riverside County Cooperative Extension Department's management and staff for their cooperation during the audit. Their assistance contributed significantly to the successful completion of the audit.

Robert E. Byrd, CGFM  
County Auditor-Controller



By: Michael G. Alexander, MBA, CIA  
Chief Internal Auditor

cc: Jennifer Sargent, Executive Office