

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



178

FROM: County Auditor-Controller

SUBMITTAL DATE:
July 20, 2007

SUBJECT: Internal Auditor's Report #2007-310 – Human Resources Asset Management Follow-up Audit

RECOMMENDED MOTION: Receive and file Internal Auditor's Report #2007-310 – Human Resources Asset Management Follow-up Audit.

BACKGROUND: The Auditor-Controller completed an audit of Human Resources - Asset Management. Our primary objective was to determine if management took corrective action and implemented the two recommendations to correct the finding noted in Internal Auditor's Report #2006-015, dated November 6, 2006. We performed tests and evaluated management's corrective actions to determine if the finding identified in Internal Auditor's Report #2006-015 was mitigated through the implementation of our two recommendations.

Based upon the results of our audit, we determined Human Resources fully implemented the two recommendations from the Internal Auditor's Report #2006-015.

Departmental Concurrence

Robert E. Byrd
Robert E. Byrd
County Auditor-Controller

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|-----------------------|-------------------------------|------|-------------------------|-----|
| FINANCIAL DATA | 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 |

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

C.E.O. RECOMMENDATION:

RECEIVE AND FILE

BY: *Rob Rockwell*
Rob Rockwell

County Executive Office Signature

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

RECEIVED RIVERSIDE COUNTY
CLERK BOARD OF SUPERVISORS
10:11 AM 05/20/07



OFFICE OF THE
COUNTY AUDITOR-CONTROLLER

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4080 Lemon Street, 11th Floor
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COUNTY OF RIVERSIDE
AUDITOR-CONTROLLER

Robert E. Byrd, CGFM
AUDITOR-CONTROLLER

Bruce Kincaid, CPA
ASSISTANT
AUDITOR-CONTROLLER

July 20, 2007

Ron W. Komers
Assistant CEO/Human Resources Director
Department of Human Resources
4080 Lemon Street
Riverside, CA 92502

Subject: Internal Auditor's Report #2007-310 – Human Resources Asset Management Follow-up Audit

Dear Mr. Komers:

We have completed the Follow-up audit of Human Resources asset management. Our audit was limited to reviewing actions taken, as of June 28, 2007, to implement the recommendations made in our original audit report dated November 6, 2006.

We conducted our audit in accordance with 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.

The original audit contained two recommendations, both of which required corrective action and; therefore, were reviewed as part of this audit. For an in-depth understanding of the original audit, please refer to Internal Auditor's Report #2006-015.

Management implemented our recommendations to correct the finding noted in Internal Auditor's Report #2006-015. The following is a summary of the current status of the findings and recommendations identified in the original audit.

Capital Assets

Finding 1: Human Resources Department does not maintain an adequate system of internal controls to safeguard and monitor capitalized assets. The department maintains a current list of capitalized assets; however, the detailed description, serial number and location of the assets were not always accurate. Records were not appropriately updated when capitalized assets were transferred in or out of the Human Resources Department's facilities.

Recommendation 1.1: Obtain concurrence of the Director of Purchasing to remove the missing assets from the Capitalized Asset Listing, in accordance with SPM III-E-2.1.1 .

Current Status 1.1: **Fully Implemented.**

The department has removed the missing assets from the Capitalized Asset Listing.

Recommendation 1.2: Utilize PeopleSoft Asset Management Module to achieve a more comprehensive tracking and monitoring system for the department's capitalized assets, including asset detailed description, serial number, county tag number, location, and the individual accountable for the asset.

Current Status 1.2: **Fully Implemented.**

The department is utilizing the PeopleSoft Asset Management Module for tracking and monitoring capitalized assets.

We appreciate the cooperation and assistance extended to us by the Human Resources Department staff during this follow-up audit. Their assistance contributed significantly to the successful completion of the audit.

ROBERT E. BYRD, CGFM
Auditor-Controller



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

cc: Board of Supervisors
County Counsel
Executive Office