

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

929



**FROM:** Riverside County Auditor-Controller

**SUBMITTAL DATE:**  
August 17, 2015

**SUBJECT:** Internal Audit Report 2015-008: Riverside County Purchasing & Fleet Services, Printing Services Division [All Districts]:[\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Receive and file Internal Audit Report 2015-008: Riverside County Purchasing & Fleet Services, Printing Services Division

**BACKGROUND:**

**Summary**

We have completed an audit of Riverside County Purchasing & Fleet Services Department, Printing Services Division to provide management and the Board of Supervisors with an independent assessment of internal controls over expenditures, billing for services, capital assets, information security, records management, and materials and supplies inventory. We conducted the audit from September 30, 2014 through May 21, 2015 for operations for the period of July 1, 2012 through May 21, 2015.

(Continued on page 2)

*Paul Angulo*  
Paul Angulo, CPA, CGMA, MA  
Riverside County Auditor-Controller

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	Consent <input checked="" type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	
<b>SOURCE OF FUNDS:</b> N/A				Budget Adjustment: No	
				For Fiscal Year: n/a	

**C.E.O. RECOMMENDATION:**

APPROVE

BY: *Imelda Deles Santos*  
Imelda Deles Santos

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley  
Nays: None  
Absent: None  
Date: September 1, 2015  
xc: Auditor

Kecia Harper-Ihem  
Clerk of the Board  
By: *Kecia Harper-Ihem*  
Deputy

Prev. Agn. Ref.:

District: ALL

Agenda Number:

**2-6**

- A-30
- Positions Added
- Change Order
- 4/5 Vote

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**  
**FORM 11: Internal Audit Report 2015-008: Riverside County Purchasing & Fleet Services, Printing Services**  
**Division [All Districts]: [\$0]**

**DATE:** August 17, 2015

**PAGE:** Page 2 of 2

**BACKGROUND:**

**Summary (continued)**

Based upon the results of our audit, we determined the Riverside County Purchasing & Fleet Services, Printing Services Division internal controls relating to expenditures, billing for services, capital assets, information security, records management, and materials and supplies inventory provide reasonable assurance that its objectives will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

**Impact on Citizens and Businesses**

Provide an assessment of internal controls over the audited areas.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

Not applicable.

**ATTACHMENTS:**

Internal Audit Report 2015-008: Riverside County Purchasing & Fleet Services, Printing Services Division

**Internal Audit Report 2015-008**

**Riverside County  
Purchasing & Fleet Services,  
Printing Services Division**

**Report Date: August 17, 2015**



**Office of Paul Angulo, CPA, CGMA, MA  
Riverside County Auditor-Controller  
4080 Lemon Street, 11th Floor  
Riverside, CA 92502  
(951) 955-3800**

**[www.auditorcontroller.org](http://www.auditorcontroller.org)**



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

County Administrative Center  
4080 Lemon Street, 11<sup>th</sup> Floor  
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Fax (951) 955-3802

**ACC** | AUDITOR  
CONTROLLER  
COUNTY OF RIVERSIDE

Paul Angulo, CPA, CGMA, MA  
COUNTY AUDITOR-CONTROLLER

Frankie Ezzat, MPA  
ASSISTANT AUDITOR-CONTROLLER

August 17, 2015

Lisa Brandl, Director  
Riverside County Purchasing & Fleet Services Department  
2980 Washington Street  
Riverside, CA 92504

**Subject: Internal Audit Report 2015-008: Riverside County Purchasing & Fleet Services,  
Printing Services Division**

Dear Ms. Brandl:

We have completed an audit of Riverside County Purchasing & Fleet Services Department, Printing Services Division to provide management and the Board of Supervisors with an independent assessment of internal controls over expenditures, billing for services, capital assets, information security, records management, and materials and supplies inventory. We conducted the audit from September 30, 2014 through May 21, 2015 for operations for the period July 1, 2012 through May 21, 2015.

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 sufficient, reliable, relevant and useful information to provide reasonable assurance that our objective as described above is achieved. An internal audit includes the systematic analysis of information to evaluate and improve the effectiveness of internal controls. We believe this audit provides a reasonable basis for our conclusion.

Internal controls are processes designed to provide management reasonable assurance of achieving efficiency of operations, compliance with laws and regulations, and reliability of financial and non-financial information. Management is responsible for establishing and maintaining adequate internal controls; our responsibility is to assess the adequacy of internal controls.

Based upon the results of our audit, we determined the Riverside County Purchasing & Fleet Services, Printing Services Division internal controls relating to expenditures, billing for services, capital assets, information security, records management, and materials and supplies inventory provide reasonable assurance that its objectives will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

**Internal Audit Report 2015-008: Riverside County Purchasing & Fleet Services Department,  
Printing Services Division**

We thank the management and staff of the Purchasing & Fleet Services Department, Printing Services Division for their cooperation. Their assistance contributed significantly to the successful completion of this audit.

Paul Angulo, CPA, CGMA, MA  
Riverside County Auditor-Controller



By: René Casillas, CPA, CRMA  
Interim Chief Internal Auditor

cc: Board of Supervisors  
Executive Office  
District Attorney  
Grand Jury

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## Executive Summary

### Overview

The Riverside County Purchasing & Fleet Services Department's primary function is to provide materials and services to county departments and agencies within the County of Riverside. The department consists of five divisions: Central Mail Services, Fleet Services, Printing Services, Purchasing and Supply Services. The Purchasing Division function operates as a general fund while the Central Mail Services, Fleet Services, Printing Services and Supply Services operate as internal service funds. Internal service funds account for goods or services provided by one department or government units on a cost reimbursement basis.

The Printing Services Division of the Purchasing & Fleet Services Department provides printing services to all county departments and other government agencies within the county. Services include high speed coping, offset printing, business cards, as well as posters, banners and specialized items. The division offers custom graphics and forms design, as well as bindery and book making capabilities. The Printing Services Division also assists departments in negotiating with printing wholesalers for work not done cost effectively in house.

### Audit Objective

Our audit objective is to provide management and the Board of Supervisors with an independent assessment about the adequacy and effectiveness of internal controls over expenditures, billing for services, capital assets, information security, records management, and materials and supplies inventory. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

### Audit Methodology

To accomplish our objectives, we:

- Identified and reviewed laws, codes, and regulations, Board of Supervisors' ordinances, applicable policies and procedures.
- Conducted interviews and performed walk-throughs with Printing Services personnel.
- Reviewed financial information from PeopleSoft (the county's financial system) for the period of July 1, 2012 through May 21, 2015.
- Performed tests to determine if internal controls were adequate over expenditures, billing for services, capital assets, information security, records management, and materials and supplies inventory.

**Internal Audit Report 2015-008: Riverside County Purchasing & Fleet Services Department,  
Printing Services Division**

### **Audit Conclusion**

Based upon the results of our audit, we determined the Riverside County Purchasing & Fleet Services, Printing Services Division internal controls relating to expenditures, billing for services, capital assets, information security, records management, and materials and supplies inventory provide reasonable assurance that its objectives will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.



**Internal Audit Report 2015-008**

**Riverside County  
Purchasing & Fleet Services,  
Printing Services Division**

**Report Date: August 17, 2015**



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August 17, 2015

Lisa Brandl, Director  
Riverside County Purchasing & Fleet Services Department  
2980 Washington Street  
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