

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



ITEM
2.10
(ID # 3286)

MEETING DATE:
Tuesday, January 24, 2017

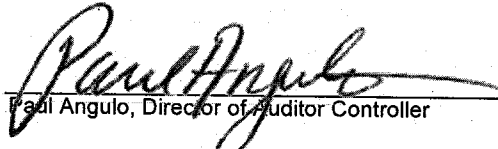
FROM : AUDITOR CONTROLLER:

SUBJECT: Internal Audit Report 2017-315: Riverside County Transportation and Land Management Agency, CODE ENFORCEMENT, Follow-up, [District: All]; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2017-315: Riverside County Transportation and Land Management Agency, Code Enforcement, Follow-up

ACTION: Consent


Paul Angulo, Director of Auditor Controller 1/5/2017

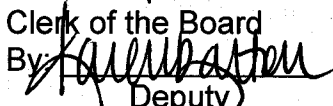
FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment: No	
			For Fiscal Year: N/A	

C.E.O. RECOMMENDATION:

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Jeffries and duly carried, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Washington and Ashley
Nays: None
Absent: Tavaglione
Date: January 24, 2017
xc: Auditor

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

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

BACKGROUND:

Summary

We have completed the follow-up audit of Riverside County Transportation and Land Management Agency, Code Enforcement. Our audit was limited to reviewing actions taken as of November 10, 2016, to help correct the findings noted in our original audit report 2014-009 dated August 4, 2014. The original audit report contained two recommendations which required implementation to help correct the reported findings.

Our follow-up found that the two recommendations were implemented. One recommendation implemented at the completion of the original audit was not included in this follow up. For an in-depth understanding of original audit, please refer to Internal Audit Report 2014-009 at www.auditorcontroller.org/Divisions/InternalAudit/InternalAuditReports.

Impact on Residents and Businesses

Provide an assessment of internal controls over the audited areas.

SUPPLEMENTAL:

Additional Fiscal Information

Not applicable

ATTACHMENT A.

Riverside County Auditor-Controller Internal Audit Report 2017-315: Riverside County Transportation and Land Management Agency, Code Enforcement, Follow-up

Internal Audit Report 2017-315

**Riverside County Transportation and Land
Management Agency, Code Enforcement,
Follow-up**

Report Date: December 6, 2016



**Office of Paul Angulo, CPA, MA
Riverside County Auditor-Controller
4080 Lemon Street, 11th Floor
Riverside, CA 92509
(951) 955-3800**

www.auditorcontroller.org



COUNTY OF RIVERSIDE
OFFICE OF THE
AUDITOR-CONTROLLER

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ACC | AUDITOR
CONTROLLER
COUNTY OF RIVERSIDE

Paul Angulo, CPA, MA
Riverside County Auditor-Controller

Frankie Ezzat, MPA
Assistant Auditor-Controller

December 6, 2016

Juan Perez
Director
Riverside County Transportation and Land Management Agency
Code Enforcement
4080 Lemon Street, 14th Floor
Riverside, CA 92501

Subject: Internal Audit Report 2017-315: Riverside County Transportation and Land Management Agency, Code Enforcement, Follow-up

Dear Mr. Perez:

We have completed the follow-up audit of Riverside County Transportation and Land Management Agency, Code Enforcement. Our audit was limited to reviewing actions taken as of November 10, 2016, to help correct the findings noted in our original audit report 2014-009 dated August 4, 2014.

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 opinion.

The original audit report contained two recommendations, which required implementation to help correct the reported findings. One recommendation implemented at the completion of the original audit was not included in this follow up. For an in-depth understanding of the original audit, refer to Internal Audit Report 2014-009 at www.auditorcontroller.org/Divisions/InternalAudit/InternalAuditReports.

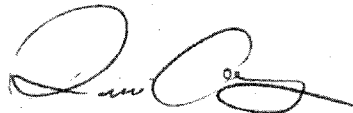
This follow-up audit found that the one recommendation was fully implemented.

Details of the findings identified in the original audit and the status of the implementation of respective recommendations are provided in the body of this report. We made some changes to the finding from how it was written in the original audit report only to clarify the meaning of acronyms.

Internal Audit Report 2017-315: Riverside County Transportation and Land Management Agency,
Code Enforcement, Follow-up

We appreciate the cooperation and assistance provided by the staff of the Riverside County Transportation and Land Management Agency, Code Enforcement during this follow-up audit. Their assistance contributed significantly to the successful completion of the audit.

Paul Angulo, CPA, MA
Riverside County Auditor-Controller



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

cc: Board of Supervisors
Executive Office
Grand Jury

Table of Contents

	Page
Results:	
Cash Handling.....	4

Cash Handling

Finding 1: Adherence to Daily Deposit Requirement

The office did not always deposit checks on a timely basis or obtain an exemption from daily deposits as required by Standard Practice Manual 303, *Receiving Payments, Deposits of Monies, and Applying Payments* (Formerly referred as SPM 705). Of the 226 deposits examined, thirty-three (or 15%) were made, on average 2 business days after being received. Management did not have a plan to provide adequate coverage for the deposit function. The cash processor responsible for processing daily deposits, took days off and management did not ensure the daily deposit responsibilities were completed by an alternate cash processor. Cash and checks are adequately secured when received; however, not depositing cash and checks in a timely manner increases the risk of theft due to accumulated funds or deposits.

Recommendation 1

Ensure deposits are made daily or obtain an exemption from daily depositing from the Auditor-Controller's Office.

Current Status 1: Fully Implemented

The deposit exemption was not obtained. However, department officials implemented a plan to ensure deposits are made within one business day of receipt. Additionally, management has assigned additional staff to complete the deposit process when primary staff are not available.