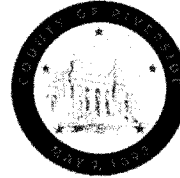


SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM
2.5
(ID # 5480)

MEETING DATE:

Tuesday, October 17, 2017

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR-CONTROLLER: Internal Audit Report 2017-020: Riverside County
Agricultural Commissioner's Office, Change of Department Head, All Districts.
[\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2017-020: Riverside Agricultural Commissioner's Office, Change of Department Head

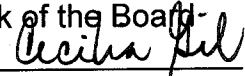
ACTION: Consent


Paul Angulo, Director of Auditor Controller 9/30/2017

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: October 17, 2017
xc: Auditor

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
NET COUNTY COST	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
SOURCE OF FUNDS: N/A			Budget Adjustment: No	
			For Fiscal Year: n/a	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

In accordance with Board of Supervisors Resolution 83-338, we completed a Change of Department Head audit for Riverside County Agricultural Commissioner's Office. This audit is conducted to ensure accountability over the transfer of capital assets from the predecessor to the new appointed department head.

Based upon the results of our audit, we determined the capital assets were transferred to the new director in a timely manner. Adequate internal controls are in place over the transfer of capital assets.

Impact on Residents and Businesses

Provide assurance on the accountability for the transfer of assets.

SUPPLEMENTAL:

Additional Fiscal Information

Not applicable

ATTACHMENT A.

Riverside County Auditor-Controller - Internal Audit Report 2017-020: Riverside County Agricultural Commissioner's Office, Change of Department Head.


Stephanie Pasi 10/10/2017

Internal Audit Report 2017-020

**Riverside County Agricultural
Commissioner's Office, Change of
Department Head**

Report Date: September 25, 2017



**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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ACO | **AUDITOR**
CONTROLLER
COUNTY OF RIVERSIDE

Paul Angulo, CPA, MA
Riverside County Auditor-Controller

Frankie Ezzat, MPA
Assistant Auditor-Controller

September 25, 2017

Ruben Arroyo
Agricultural Commissioner/ Sealer of Weights and Measures
Agricultural Commission
4080 Lemon Street, Room 19
Riverside, CA 92505

Subject: Internal Audit Report 2017-020: Riverside County Agricultural Commissioner's Office, Change of Department Head

Dear Mr. Arroyo:

In accordance with Board of Supervisors Resolution 83-338, we completed a Change of Department Head audit for Riverside County Agricultural Commissioner's Office. This audit is conducted to ensure accountability over the transfer of capital assets from the predecessor to the new appointed department head.

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 evaluate the internal controls.

Based upon the results of our audit, we determined the capital assets were transferred to the new director in a timely manner. Adequate internal controls are in place over the transfer of capital assets.



Internal Audit Report 2017-020: Riverside County Agricultural Commissioner's Office, Change of Department Head

We thank the Riverside County Agricultural Commissioner's office management and staff for their cooperation. Their assistance contributed significantly to the successful completion of this 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

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Executive Summary

Overview

Riverside County Agricultural Commissioner's Office mission is, "promoting and protecting the agricultural industry of the County and its environment, ensuring the health and safety of the County's citizens, and fostering confidence and equity in the marketplace through education and the fair and uniform enforcement of laws, regulations, and ordinances enacted by the people of the State of California and the County of Riverside." *Riverside County Agricultural Commissioner's Office, County of Riverside website, accessed on June 26, 2017, <http://www.rivcoag.org/Home.aspx>*

The Agricultural Commissioner's Office inspects and tests packaged commodities and all commercially used devices, including transactions derived from the use of such devices are inspected for accuracy, and provides education and training to the public and regulated industries.

The Agricultural Commissioner's Office consists of four divisions as follows:

- Environmental Protection/Pest Management
- Consumer Protection/County Ordinances/Crop Statistics
- Phytosanitary Certification/Pest Detection/Information Technology/Agricultural Reserves
- Pest Exclusion/Consumer Protection

The 2015 Riverside County Agricultural Production Report, prepared by the Agricultural Commissioner's Office in accordance with Section 2279 of the California Food and Agricultural Code is a comprehensive report that summarizes the acreage, production and valuation of Riverside County's agricultural commodities which includes more than 120 different commodities with a total gross value of \$1.3 billion. "Based on historical models, Riverside County's 2015 agricultural production contributed nearly four billion dollars to the regional economy when indirect and induced economic impacts are considered." *Riverside County Agricultural Commissioner's Office, Resources/Publications, County of Riverside website, accessed on June 26, 2017, <http://www.rivcoag.org/Resources/Publications.aspx>*

Audit Objective

Our audit objective is to provide management and the Board of Supervisors with an independent assessment of internal controls over the transfer of capital assets when there is a change in department head.

Audit Conclusion

Based upon the results of our audit, we determined the capital assets were transferred to the new director in a timely manner. Adequate internal controls are in place over the transfer of capital assets.

Capital Assets

Background

Capital assets are tangible assets of significant value which have a utility that extends beyond the current year, and are broadly classified as land (valued at \$1 or more), buildings and improvements, infrastructure, and equipment (acquisition cost of \$5,000 or greater).

Per Riverside County Auditor-Controller's Standard Practice Manual, Policy Number 515, *The Transfer of Accountability on Capital Assets*, states that upon retirement or termination of a department head, accountability for capital assets must be transferred to the new or acting department head and notification filed with the Riverside County Auditor-Controller's Office.

Objective

To determine if the required Standard Practice Manual Form AM-1, *The Inventory of County Property for Capital Assets*, for the transfer of accountability of capital assets from the predecessor to the new appointed department head was completed and properly filed with the Riverside County Auditor-Controller's Office.

Audit Methodology

To accomplish our objectives, we:

- Obtained an understanding of board policies and applicable standards
- Established the date of the department head change
- Verified proper forms were completed for transfer of accountability of capital assets and submitted to the Riverside County Auditor-Controller's Office

Results

At the time the new director took office on March 13, 2017, the department had nine capitalized assets with combined acquisition cost of \$232,406. The Riverside County Auditor-Controller Standard Practice Manual Form AM-6, *Capital Asset Transfer*, was completed and submitted to the Riverside County Auditor-Controller's Office on June 8, 2017.

Based upon the results of our testing, we verified the appropriate forms were completed and properly filed for the transfer of capital assets.