

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



ITEM: 2.1  
(ID # 12939)

MEETING DATE:  
Tuesday, July 07, 2020

**FROM :** AUDITOR CONTROLLER:

**SUBJECT:** AUDITOR-CONTROLLER: Internal Audit Report 2020-004: Riverside University Health System, Public Health, Community Action Partnership Audit, District: All. [\$0]

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

1. Receive and file Internal Audit Report 2020-004: Riverside University Health System, Public Health, Community Action Partnership Audit

**ACTION:**Consent

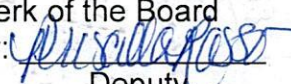
  
Paul A. Angulo, County Auditor-Controller 6/25/2020

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MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: July 07, 2020  
xc: Auditor

Kecia R. Harper  
Clerk of the Board  
By:   
Deputy

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

**BACKGROUND:**

**Summary**

In accordance with Board of Supervisors Resolution 83-338, we completed an audit of Riverside University Health System, Public Health, Community Action Partnership to provide management and the Board of Supervisors with an independent assessment of internal controls over the weatherization program monthly claim reporting.

Please refer to audit report for conclusion on the results of our audit.

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

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

**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 2020-004:  
Riverside University Health System, Public Health Community Action Partnership Audit.

  
 Stephanie Perez, Principal Management Analyst 6/29/2020

**Internal Audit Report 2020-004**

**Riverside County RUHS  
Public Health  
Community Action Partnership**

**Report Date: June 16, 2020**



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

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

**Oscar Valdez**  
Assistant Auditor-Controller

June 16, 2020

Kimberly Saruwatari  
Director of Public Health  
Riverside University Health System, Public Health, Community Action Partnership  
4065 County Circle Drive  
Riverside, CA 92503

**Subject: Internal Audit Report 2020-004: Riverside University Health System, Public Health, Community Action Partnership Audit**

Dear Ms. Saruwatari:

In accordance with Board of Supervisors Resolution 83-338, we completed an audit of Riverside University Health System, Public Health, Community Action Partnership to provide management and the Board of Supervisors with an independent assessment of internal controls over the weatherization program monthly claim reporting.

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.

**Internal Audit Report 2020-004: Riverside University Health System, Public Health,  
Community Action Partnership Audit**

Based upon the results of our audit, we identified opportunities for improvement of internal controls relating to the weatherization program's monthly claim reporting. Specifically, Riverside University Health System, Public Health, Community Action Partnership should update their policies and procedures to address key processes that have not been included such as preparing adjustments, monitoring for outstanding checks, verifying previous claims to avoid duplication, and monitoring for budget levels.

As requested, in accordance with paragraph III.C of the Board of Supervisors Resolution 83-338, management responded to each reported condition and recommendation contained in our report. Management's responses are included in the report. We will follow-up to verify that management implemented the corrective actions.

Paul Angulo, CPA, MA  
Riverside County Auditor-Controller



By: René Casillas, CPA, CRMA  
Chief Internal Auditor

cc: Board of Supervisors  
George Johnson, County Executive Officer  
Grand Jury

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**Internal Audit Report 2020-004: Riverside University Health System, Public Health,  
Community Action Partnership Audit**

## **Executive Summary**

### **Overview**

Riverside University Health System, Public Health, Community Action Partnership (Community Action) services Riverside County's qualifying residents by facilitating opportunities to self-sufficiency through education, energy conservation, wealth building, advocacy, and community organization. Community Action's funding level based on the adopted budget for fiscal year 2019-20 is \$9.4 million with 75 authorized positions to accomplish its mission.

### **Audit Objective**

Our objective is to provide management and the Board of Supervisors with an independent assessment about the adequacy and effectiveness of internal controls over the weatherization program monthly claim reporting. Internal controls are processes designed to provide management reasonable assurance of achieving efficiency of operations, compliance with laws and regulations, and reliability of financial information.

### **Audit Scope**

We conducted the audit from August 12, 2019, through November 4, 2019, for operations from July 1, 2017, through August 31, 2019. Following a risk based approach, our scope initially included the following:

- Onboarding for volunteer services
- Eligibility requirements for the public utility assistance program, savings program, and weatherization program
- Capital asset management
- Weatherization program change orders and invoices
- Weatherization program monthly claim reporting

Through inquiry, observations, and examination of relevant documentation, we reduced our scope to weatherization program monthly claim reporting.

**Internal Audit Report 2020-004: Riverside University Health System, Public Health, Community Action Partnership Audit**

**Audit Highlights**

***Existing Conditions***

The current processes have not mitigated the following areas:

- The policies and procedures for reporting monthly weatherization claim to the state do not include key processes that are necessary to ensure accurate reporting and timely reimbursements.

***Improvement Opportunities***

The improvement opportunities are in the following areas:

- Update policies and procedures to address key processes such as preparing adjustments, monitoring for outstanding checks, verifying previous claims to avoid duplication, and monitoring budget levels.

**Audit Conclusion**

Based upon the results of our audit, we identified opportunities for improvement of internal controls relating to the weatherization program's monthly claim reporting. Specifically, Riverside University Health System, Public Health, Community Action Partnership should update their policies and procedures to address key processes that have not been included such as, preparing adjustments, monitoring for outstanding checks, verifying previous claims to avoid duplication, and monitoring for budget levels.



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Paul A. Angulo, County Auditor-Controller 6/25/2020

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 Stephanie P., Principal Management Analyst      6/29/2020