

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



ITEM: 2.3
(ID # 13985)

MEETING DATE:

Tuesday, December 08, 2020

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR-CONTROLLER: Internal Audit Report 2021-008: Riverside County Cooperative Extension Audit, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2021-008: Riverside County Cooperative Extension Audit


ACTION:Consent


Paul A. Angulo, County Auditor-Controller 11/18/2020

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Perez 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: December 8, 2020
xc: Auditor

Kecia R. Harper
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
NET COUNTY COST	\$ 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 an audit of the Riverside County Cooperative Extension. This audit is conducted to provide management and the Board of Supervisors with an independent assessment of internal controls over expenditures.

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

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's Office - Internal Audit Report 2021-008: Riverside County Cooperative Extension Audit


 Stephanie P. B., Principal Management Analyst 11/30/2020

Internal Audit Report 2021-008
Riverside County Cooperative Extension
Report Date: December 8, 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



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

County Administrative Center
4080 Lemon Street, 11th Floor
P.O. Box 1326
Riverside, CA 92502-1326
(951) 955-3800
Fax (951) 955-3802

ACC | **AUDITOR
CONTROLLER**
COUNTY OF RIVERSIDE

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

**Tanya S. Harris, DPA, CPA
Assistant Auditor-Controller**

December 8, 2020

L. Mark Lagrimini
Acting Director
Riverside County Cooperative Extension
2801 Second Street
Davis, CA 95618

Subject: Internal Audit Report 2021-008: Riverside County Cooperative Extension Audit

Dear Dr. Lagrimini:

In accordance with Board of Supervisors Resolution 83-338, we audited the Riverside County Cooperative Extension to provide management and the Board of Supervisors with an independent assessment of internal controls over expenditures.

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 Riverside County Cooperative Extension internal controls over expenditures funded by Riverside County provide

Internal Audit Report 2021-008: Riverside County Cooperative Extension Audit

reasonable assurance that its objectives relating to this area will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

We thank the Riverside County Cooperative Extension 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
Chief Internal Auditor

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

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Executive Summary

Overview

Riverside County Cooperative Extension (Cooperative Extension) is a partnership between the University of California and the County of Riverside. It has four programs including Nutrition, Natural Resources, Master Gardening, and 4H Youth Development with an adopted budget from Riverside County of \$634,064 for FY 2020-21. Cooperative Extension has five authorized positions to execute its responsibilities. *County of Riverside, Fiscal Year 2020-21 Adopted Budget, 73.*

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 expenditures funded by Riverside County. 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 July 22, 2020, through August 12, 2020, for operations from July 1, 2018, through August 12, 2020. Our scope included a review of expenditures.

Audit Conclusion

Based upon the results of our audit, we determined Riverside County Cooperative Extension internal controls over expenditures funded by Riverside County provide reasonable assurance that its objectives relating to this area will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

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Expenditures

Background

Cooperative Extension was established through the passing of the Smith-Lever Act of 1914. The passing of the law extended outreach programs through land-grant universities to educate Americans in agricultural practices and technology. University of California Cooperative Extension is funded in two primary ways, one is through the University of California, and the second way is through the Riverside County's general fund. The Riverside County Board of Supervisors has discretion on the amount of funding the county provides to Cooperative Extension. The county funding is approximately \$634,064 for fiscal year 2020-21 and is primarily used for salaries of administrative staff, supplies, and program-related expenditures.

Audit Methodology

To accomplish these objectives, we:

- Obtained an understanding of board policies, and applicable standards.
- Obtained an understanding of the Smith-Lever Act of 1914, which established the outreach programs for Cooperative Extension.
- Obtained an understanding about the Memorandum of Understanding agreement with Cooperative Extension.
- Reviewed the Riverside County's Purchasing Policy.
- Selected a sample of expenditures to verify their appropriateness and whether supervisory review and approval was obtained.

Finding: None Noted