

Contract Monitoring Unit



Riverside County Auditor-
Controller's Office



Background



Requested by Board of Supervisors



Contract services for Riverside County currently is 6,037 and exceed \$5.42 Billion



Establishes countywide oversight of all contract and grant services by ACO

Contract Monitoring Unit Responsibilities



Countywide oversight of all contract services.



Auditing of contracts to ensure legal compliance and services are being performed.



Ensure departments are not overpaying.



Ensure there is no abuse of taxpayers' funds.

Countywide Contract Monitoring In LA County

Established in 2004

- Budgeted for 45 positions for this specific unit
- Unit performs 80-100 service contract **AUDITS** per year
- Common Issues:
 - Unallowable expenses
 - General financial viability of the organization they hire to provide the services
- Additional Information
 - Internal Audit Funded Positions – 60
 - Investigations Funded Positions - 27



Examples of Common Issues Encountered in Our Audits



Overbilling for services by billing the county for the maximum amount allowed per contract



Supporting documentation lacking for services provided



Billed services not in agreement with pricing terms



Lack of general compliance with contract terms

Contract Monitoring Unit Personnel

- The Contract Monitoring Unit for the first 6 months will be a three-member team at a cost of \$260,000 consisting of:
 - One Supervising Internal Auditor
 - Two Senior Internal Auditors
- Total cost will be less than 1% of all contract funding.
 - Fully staffed at \$450,000 at year one would be .0083% of the \$5.42B of contract funding.



The background image shows a close-up of a financial document. The top portion is a spreadsheet with columns of numbers, some of which are bolded. The bottom portion is a 3D bar chart with bars of varying heights. A silver pen is visible on the left side, and a white object, possibly a calculator or a piece of paper, is on the right side.

Expectations

- ✓ Establish countywide monitoring oversight.
- ✓ Implement uniform contract standards.
- ✓ Ensure accountability for taxpayers.
- ✓ Reduce wasteful spending and stop abuse of taxpayers' funds.
- ✓ Recover any misused funds.