

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



ITEM: 2.8  
(ID # 30115)

MEETING DATE:  
Tuesday, March 24, 2026

FROM : AUDITOR CONTROLLER

SUBJECT: AUDITOR-CONTROLLER: Internal Audit Report 2026-006: Riverside County Department of Waste Resources Audit, [District: All]; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2026-006: Riverside County Department of Waste Resources Audit.

ACTION: Consent

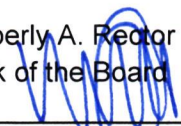
  
Ben J. Benoit, COUNTY AUDITOR-CONTROLLER 3/17/2026

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MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez  
Nays: None  
Absent: None  
Date: March 24, 2026  
xc: Auditor

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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

<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: N/A</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	n/a

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

**BACKGROUND:**

**Summary**

In accordance with Board of Supervisors Resolution 83-338, we audited the Riverside County Department of Waste Resources. This audit was conducted to provide management and the Board of Supervisors with an independent assessment of internal controls over business continuity plan, service delivery, and warehouse inventory.

Based on the results of our audit, we determined that internal controls over business continuity plan, service delivery, and warehouse inventory are functioning as designed to help Waste Resources achieve its business process objectives. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

**Impact on Citizens and Businesses**

Provide an assessment of internal controls over the audited areas.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

Not applicable

**ATTACHMENTS:**

A: Riverside County Auditor-Controller's Office - Internal Audit Report 2026-006: Riverside County Department of Waste Resources Audit



Office of Ben J. Benoit  
Riverside County Auditor-Controller

**Number of Findings & Recommendations**

**High Risk**

**0** Findings

**Medium Risk**

**0** Findings

**Low Risk**

**0** Findings

\* Please refer to Appendix A for a classification of the priority levels.

# Internal Audit Report

2026-006

Riverside County  
Department of Waste Resources Audit

March 24, 2026



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

**BEN J. BENOIT  
AUDITOR-CONTROLLER**

**TANYA S. HARRIS, DPA, CPA | JON JENSEN, CPP  
ASSISTANT AUDITOR-CONTROLLER**



March 24, 2026

Andrew Cortez  
General Manager – Chief Engineer  
Riverside County Department of Waste Resources  
14310 Frederick Street  
Moreno Valley, CA 92553

**Subject: Internal Audit Report 2026-006: Riverside County Department of Waste Resources  
Audit**

Dear Mr. Cortez:

In accordance with Board of Supervisors Resolution 83-338, we audited the Riverside County Department of Waste Resources to provide management and the Board of Supervisors with an independent assessment of internal controls over business continuity plan, service delivery, and warehouse inventory.

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.

Our conclusion and details of our audit are documented in the body of this audit report.



## Internal Audit Report 2026-006: Riverside County Department of Waste Resources Audit

Since the audit resulted in no findings or recommendations, there was no requirement for a response in accordance with Board of Supervisors Resolution 83-338.

We thank you and your staff for the help and cooperation. The assistance provided contributed significantly to the successful completion of this audit.

Ben J. Benoit  
Riverside County Auditor-Controller

By: René Casillas, CPA, CRMA  
Deputy Auditor-Controller

cc: Board of Supervisors  
Jeff A. Van Wagenen, Jr., County Executive Officer  
Juan Perez, Chief Operating Officer  
Don Kent, Chief Finance Officer  
Charissa Leach, Assistant County Executive Officer  
Grand Jury



## Internal Audit Report 2026-006: Riverside County Department of Waste Resources Audit

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## Executive Summary

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### Overview

The Riverside County Department of Waste Resources (Waste Resources) is tasked with the protection of the general public's health and welfare by landfilling non-hazardous waste. The department manages five landfills, thirty-three inactive landfills, has a contract agreement for an additional private landfill, and administers several transfer station and collection center leases. In addition to landfill management, the department provides several other different services including household hazardous waste collection, recycling, composting, illegal dumping clean-up, community clean-ups, and graffiti abatement.

Waste Resources has an adopted budget of \$166.1 million for fiscal year 2025/26 and 284 adopted positions. *County of Riverside, Fiscal Year 2025/26 Adopted Budget Volume I, 346-348.*

### 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 business continuity plan, service delivery, and warehouse inventory. 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. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

### AUDIT HIGHLIGHTS

- The department adheres to its policies and procedures over the following scope areas reviewed in this audit: Business Continuity Plan, Service Delivery, and Warehouse Inventory.



## Internal Audit Report 2026-006: Riverside County Department of Waste Resources Audit

### Audit Scope and Methodology

We conducted the audit from September 17, 2025, through January 14, 2026, for operations from July 1, 2023, through January 13, 2026. Using a risk-based approach, our scope included the following:

- Business Continuity Plan
- Service Delivery
- Warehouse Inventory

### Audit Conclusion

Based on the results of our audit, we determined that internal controls over business continuity plan, service delivery, and warehouse inventory are functioning as designed to help Waste Resources achieve its business process objectives. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.



## Business Continuity Plan

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### Background

A business continuity plan is a critical component of an organization's risk management framework, designed to ensure the continued operation of essential functions during and after a disruptive event. Effective business continuity plans help minimize operational downtime, protect assets and information, and maintain the delivery of key services to stakeholders. Given the increasing risks associated with natural disasters, cyberattacks, pandemics, and other unforeseen disruptions, it is essential that organizations develop, maintain, and routinely test comprehensive continuity plans. A well-designed business continuity plan typically includes strategies for emergency response, communication, data backup and recovery, alternate work arrangements, and coordination with external parties. These plans help safeguard public trust, ensure employee safety and support long-term organizational resilience by enabling organizations to adapt quickly and recover from adverse events with minimal impact on operations.

### Objective

To verify the existence and adequacy of internal controls over Waste Resources' business continuity planning processes.

### Audit Methodology

To accomplish these objectives, we:

- Conducted interviews with key personnel to gain an understanding of the department's business continuity plan processes.
- Verified whether there was adequate segregation of duties in place relating to the department's business continuity plan processes.
- Obtained a copy of the department's most current organizational chart.
- Obtained a copy of the department's formal business continuity plan for review and verified whether it was approved by appropriate personnel, includes risk assessments and emergency procedures, identifies critical systems and backup sites, defines roles and responsibilities, and is communicated to relevant stakeholders.
- Verified whether the department has adequate data backup processes.



## Internal Audit Report 2026-006: Riverside County Department of Waste Resources Audit

- Verified whether the department provides training to personnel over business continuity plan processes.

### Finding: None Noted

Based on the results of our audit, we determined that internal controls over business continuity planning provide reasonable assurance that the department's objectives related to this area will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

## Service Delivery

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### Background

Waste Resources provides solid waste disposal services to the County primarily through the operation of landfill facilities. These services support the safe and compliant disposal of waste generated by residents, businesses, and waste haulers operating within and outside the County. Landfill disposal represents the department's core service and primary source of service-related revenue.

The department bills waste haulers for disposal services based on established gate fees and recorded disposal activity. Billing rates differ depending on whether haulers operate within or outside the County. Disposal rates are reviewed annually and approved by the Board of Supervisors, and any rate changes are communicated to haulers and made publicly available. Billing activity is supported by system-generated data and periodic reconciliations to ensure charges reflect disposal activity.

In addition to landfill operations, Waste Resources provides related services that support the County's solid waste management objectives, including limited recycling services, household hazardous waste collection events, public outreach, and community clean-up efforts in unincorporated areas. Revenue generated through the department's billing processes supports the ongoing operation of landfill facilities and the delivery of these additional programs.

### Objective

To verify the existence and adequacy of internal controls over Waste Resources' service delivery processes.



## Internal Audit Report 2026-006: Riverside County Department of Waste Resources Audit

### Audit Methodology

To accomplish these objectives, we:

- Obtained and reviewed relevant department policies, procedures, and ordinances governing Waste Resources' service delivery processes, including the department's accounting SOP, *Billing Procedures*, and County Ordinance 779, *Solid Waste Facilities and Establishing Fees*.
- Conducted interviews with department management and key personnel to gain an understanding of the department's service delivery processes.
- Obtained and reviewed organizational information and evaluated segregation of duties between service delivery, review, and billing functions.
- Obtained a listing of customer billings and invoices during the audit review period.
- Selected a judgmental sample of invoices and verified whether services were authorized in accordance with approved agreements or fee schedules, supported by appropriate documentation, accurately recorded, and billed at approved rates within expected timeframes.
- Verified whether operational records (e.g., gate tickets, dispatch logs, weight records) reconciled to customer invoices and whether discrepancies were identified, reviewed, and resolved.
- Performed data analytics to identify customers with frequent invoice adjustments or manual overrides, potential duplicate billings, and duplicate or reused gate ticket numbers.
- Verified whether management performs periodic reviews of billing accuracy reports and reconciliation processes, monitors key performance indicators related to service delivery and billing, and communicates exceptions to appropriate personnel for corrective action.

#### Finding: None Noted

Based on the results of our audit, we determined that internal controls over service delivery provide reasonable assurance that the department's objectives related to this area will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.



## Warehouse Inventory

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### Background

Warehouse inventory represents County-owned materials and supplies that support departmental operations and service delivery. Accurate inventory records and effective safeguarding of inventory assets are essential for accountability and allow departments to identify the quantity, location, and value of inventory on hand. It also helps prevent loss, theft, or misuse, avoid unnecessary purchases, and support accurate financial reporting.

Inventory management relies on internal controls designed to promote accountability and data integrity throughout the inventory process. A fundamental internal control principle is the segregation of duties, which helps reduce the risk of error or misuse by separating responsibilities for physical custody of inventory, authorization or approval of inventory transactions, and recording of inventory activity.

The department uses an electronic inventory management system to record inventory transactions and track inventory balances. Periodic inventory counts, including cycle counts and an annual physical inventory, are performed to validate inventory records. Inventory balances are reconciled to physical counts and financial records, and management reviews inventory reports and discrepancies to support oversight of inventory activity.

### Objective

To verify the existence and adequacy of internal controls over Waste Resources' warehouse inventory processes.

### Audit Methodology

To accomplish these objectives, we:

- Obtained and reviewed applicable Board policies, standards, and departmental procedures governing warehouse inventory, including Waste Resources' *Fleet Program Guide*, Section 22, *Inventory Control Procedures*.
- Conducted interviews with department management and key personnel to gain an understanding of warehouse inventory processes, adjustments, and system use.
- Obtained an understanding of the department's warehouse inventory tracking system and evaluated controls over system access, reporting, and management review.



## Internal Audit Report 2026-006: Riverside County Department of Waste Resources Audit

- Evaluated segregation of duties between inventory custodians, system recordkeepers, and personnel responsible for approving inventory adjustments and reconciliations.
- Obtained current detailed inventory listings, including cycle count documentation and the most recent annual physical inventory count.
- Selected a random sample of inventory items and performed on-site testing to verify physical existence, quantities, labeling, condition, and agreement to system records.
- Selected a sample of inventory additions and verified whether items were supported by purchase orders, receiving documentation, and invoices. Also, verified whether items were properly recorded, approved, and charged to the appropriate accounting period and cost center.
- Performed walkthroughs of warehouse facilities to assess the adequacy of physical security controls over inventory, including access restrictions and protection of high-value items.
- Reviewed management oversight and monitoring controls, including the review of exception reports, variance analyses, shrinkage indicators, and the timeliness of corrective actions.

### Finding: None Noted

Based on the results of our audit, we determined that internal controls over warehouse inventory provide reasonable assurance that the department's objectives related to this area will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.