

County of San Bernardino

Auditor-Controller/Treasurer/Tax Collector
Internal Audits Section

Probation:

Follow-Up of the Sensitive Equipment
Inventory Lists Audit



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Auditor-Controller/Treasurer/Tax Collector

Mission Statement

The San Bernardino County Auditor-Controller's Office is committed to serving our customers by processing, safeguarding, and providing information regarding the finances and public records of the County. We perform these functions with integrity, independent judgment, and outstanding service. We are accurate, timely, courteous, innovative, and efficient because of our well-trained and accountable staff.

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January 29, 2015

Michelle Scray Brown, Chief Probation Officer

Probation

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SUBJECT: Follow-Up of the Sensitive Equipment Inventory Lists Audit

In compliance with Article V, Section 6, of the San Bernardino County Charter and County Policy 05-20 entitled Internal Operational Auditing, we have completed a follow-up audit of the Sensitive Equipment Inventory Lists for the period of November 25, 2013 through August 7, 2014. The objective of the audit was to determine if the Department implemented the recommendation contained in prior audit report. We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

We have provided a status of the audit finding identified in the original audit report, *Audit of Sensitive Equipment Inventory Lists*, issued on November 25, 2013. The Department has partially implemented the recommendation from the original audit report.

We sent a draft report to the Department on December 16, 2014. The Department's response to the current status of our recommendation is included in this report.

We would like to express our appreciation to the personnel at the Probation Department who assisted and cooperated with us during this engagement.

Respectfully submitted,

Larry Walker

Auditor-Controller/Treasurer/Tax Collector
San Bernardino County

By:

Denise Mejico

Chief Deputy Auditor

Enclosure

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Date Report Distributed: 1/29/2015

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Probation:

Follow-Up of the Sensitive Equipment Inventory Lists Audit

Objective, Scope and Methodology **1**

**Prior Audit Finding, Recommendation, and
Current Status** **2**



Objective and Scope

The objective of this follow-up audit was to determine whether the Department implemented the recommendation contained in the prior audit report, *Audit of Sensitive Equipment Inventory Lists*, issued on November 25, 2013.

Our audit included examination of original source documents received from county departments by the County Clerk from November 25, 2013 through the date of our fieldwork on August 7, 2014.

Methodology

In achieving the audit objective, the following audit procedures were performed, including but not limited to:

- Reviewing policies and procedures
- Examining original source documents



Prior Finding: Sensitive Equipment Inventory List was not filed annually with the County Clerk.

County of San Bernardino Policy 11-04 SP3 - Procurement of Goods, Supplies and Equipment-Equipment Control was adopted and was subsequently revised on August 26, 2011 to assure the Board of Supervisors, County management, and the public that appropriate control is maintained over County-owned property below the fixed asset level of \$5,000. Once a department establishes inventory controls of sensitive equipment, a department's inventory list shall be updated on an annual basis and filed with the County Clerk by June 30 of each year. According to the County Clerk, the Department filed a sensitive equipment inventory list with the County Clerk on September 15, 2011. However, no subsequent annual list was filed through the date of our fieldwork on July 22, 2013. If an inventory of sensitive equipment is not maintained by the Department as evidenced by its submittal to the County Clerk, the Department cannot ensure that its equipment is safeguarded, increasing the risk of undetected loss.

Recommendation:

We recommend that the Department file an updated sensitive equipment inventory list with the County Clerk within 90 days and subsequently file by June 30 of each year. If there are no sensitive equipment to report for the Department, then the Department should provide the County Clerk with a memo to that effect.

Current Status: Partially Implemented

While the Department indicates the report was submitted to the County Clerk on September 3, 2013, the County Clerk did not have the report on file. The Department provided a copy of an unsigned interoffice memo to corroborate submission, but the auditors were unable to verify receipt of the sensitive equipment inventory list with the County Clerk. The Department subsequently submitted the report to the County Clerk on August 14, 2014, after our field visit on August 7, 2014.



Management's Response:

Department records indicate that the appropriate documentation was forwarded to the County Clerk, though a copy of the signed memo was not maintained. The documentation for 2015 will be submitted and the Department will maintain a copy of the signed memo.

Auditor's Response

The Department's planned actions will correct the deficiency noted in the finding.