

County of San Bernardino

Auditor-Controller/Treasurer/Tax Collector
Internal Audits Section

County Fire:

Review of
Certified Statement of Assets Transferred
Date of Transfer – December 7, 2019



Ensen Mason CPA, CFA

Auditor-Controller/Treasurer/Tax Collector

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Auditor-Controller/Treasurer/Tax Collector

Mission Statement

This 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.

Audit Team

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County Fire

Review of Certified Statement of Assets Transferred

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Auditor–Controller/Treasurer/Tax Collector

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June 12, 2020

Daniel Munsey, Fire Chief
County Fire Department
157 W. Fifth Street 2nd Floor
San Bernardino, CA 92415-0451

**SUBJECT: Review of Certified Statement of Assets Transferred
Date of Transfer December 7, 2019**

In compliance with Article V, Section 1, of the San Bernardino County Charter, we have completed a review of the County Fire Department’s Certified Statement of Assets Transferred (CSAT) form for the incoming official Daniel Munsey, Fire Chief, as of the date of transfer of December 7, 2019. The primary objectives of the review were to determine if the CSAT form was accurate, complete and filed timely with the Auditor-Controller/Treasurer/Tax Collector (ATC), as required by the County Charter.

Our review determined that the form was complete, however was not filed in a timely manner and there were balances which were reported inaccurately.

The County Fire Department is responsible for correcting the amounts on the CSAT form within 30 days of receipt of this report. The updated CSAT form should be maintained at the department level and available upon request.

Respectfully submitted,

Ensen Mason CPA, CFA

Auditor-Controller/Treasurer/Tax Collector
San Bernardino County

By:

Denise Mejico

Chief Deputy Auditor

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Date Report Distributed: June 12, 2020

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Purpose

In accordance with Article V, Section 1 of the San Bernardino County Charter, each County officer or employee in charge of any office, department, service, or institution of the County, and the executive head of each special district whose affairs and funds are under the supervision and control of the Board of Supervisors or for which the Board is ex-officio, is required to make and file with the Auditor-Controller/Treasurer/Tax Collector (ATC) a complete detailed inventory of all property belonging or pertaining to his/her office within five days after assuming the duties of the office.

Departments are responsible for completing their own Certified Statement of Assets Transferred (CSAT) form when there is a change in Department Head. The 2018 Internal Controls and Cash Manual (ICCM) Chapter 17-Transfer of Assets and Other Property states that incoming officials must complete and submit the CSAT form and worksheet to the ATC's Internal Audits Section (IAS).

Scope and Objectives

Our review examined the CSAT form completed by the County Fire Department for the incoming official Daniel Munsey, Fire Chief as of the transfer date, December 7, 2019.

The objectives of our review were to determine whether the form was accurate, complete and filed timely.

Methodology

The CSAT form and supporting documentation provided by the Department were reviewed to verify that the amounts entered on the CSAT form were correctly stated in accordance with the ICCM Chapter 17-2 - Transfer of Assets and Other Property.

Purpose, Scope, Objectives and Methodology



The following procedures were performed in accordance with the related ICCM requirements:

ICCM Requirement	Procedure Performed
ICCM Chapter 17-2 states that incoming officials must total all money not held in the County Treasury that the department is responsible for.	Department-provided cash balances were compared to the IAS cash database.
ICCM Chapter 17-2 states that balances of all trust and agency funds must be reconciled to the balance of the transfer date.	Department-provided trust and agency fund balances were compared to fund balances in SAP (Enterprise Financial Management System).
ICCM Chapter 17-3 states that fixed asset amounts from the quarterly equipment, vehicle and software reports from General Accounting should be reconciled as of the transfer date.	Department-provided fixed asset report was compared to the SAP fixed assets report.

Additionally, we determined whether the annual reporting of sensitive equipment was filed with the Auditor-Controller/Treasurer/Tax Collector (ATC), a Signature Authorization Cancellation form was submitted to ATC Accounts Payable and whether a Cal-Card was cancelled with the Purchasing Department.

Summary and Conclusion



Summary

The County Fire Department reported:

Asset	Amount
Cash	\$ 2,955
Agency Funds	110,988,877
Fixed Assets	74,387,109
Other Assets	0

A signature authorization form was submitted to Auditor-Controller/Treasurer/Tax Collector (ATC) Accounts Payable cancelling the outgoing officer's signature authority. The assigned County credit cards and/or Cal-Cards for the outgoing official have been returned and cancelled.

The following conditions were identified:

- The Certified Statement of Assets Transfer (CSAT) form was not completed within five business days from the date of transfer. The transfer date was December 7, 2019 and the CSAT was completed on December 27, 2019, therefore was 9 business days late.
- The cash funds reported on the CSAT did not agree with the Internal Audits Cash Database. The cash on hand was understated by \$445 and the bank account was understated by \$1500.
- The Agency Funds were reported on the CSAT incorrectly. The total included Agency Funds in addition to Special Revenue Funds, Capital Project Funds and Trust Funds.
- Fixed assets were reported as \$74,387,109 on the CSAT, however, the amount did not agree with the SAP Fixed Assets records. SAP Fixed Assets totaled \$71,684,374. Therefore, the amount reported on the CSAT was \$2,702,735 higher than official County records. The variance was caused by the department incorrectly adjusting the SAP totals for additions and deletions from the beginning of the fiscal year through the date of transfer, although those amounts were already accounted for in the total.



- The sensitive equipment listing has not been filed with Internal Audits Section within the last year.

Conclusion

The Department's CSAT form for the incoming official Daniel Munsey, Fire Chief with the transfer date of December 7, 2019 was complete but not filed within the five business days from the date of transfer. Additionally, there were balances that did not agree to official County records, and procedures were not followed to submit a sensitive equipment listing.

We recommend that the Department investigate the inconsistencies identified and ensure that department records can be reconciled to official County records for all asset categories. We further recommend that the Department submit a sensitive equipment listing to Internal Audits Section, annually.