

County of San Bernardino

Auditor-Controller/Treasurer/Tax Collector
Internal Audits Section

Department of Public Works: Review of Certified Statement of Assets Transferred Date of Transfer – November 25, 2019



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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.

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Department of Public Works

Review of Certified Statement of Assets Transferred

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June 26, 2020

Brendon Biggs, Interim Director

Public Works
825 East Third Street
San Bernardino, CA 92415

**SUBJECT: Review of Certified Statement of Assets Transferred
Date of Transfer November 25, 2019**

In compliance with Article V, Section 1, of the San Bernardino County Charter, we have completed a review of the Department of Public Works (Department)'s Certified Statement of Assets Transferred (CSAT) form for the incoming official Brendon Biggs, Interim Director, as of the date of transfer of November 25, 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 and filed in a timely manner. However, there were balances that were reported inaccurately.

The 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:

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Date Report Distributed: June 26, 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 Department of Public Works (Department) for the incoming official Brendon Biggs, Interim Director as of the transfer date, November 25, 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 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, audited financial statements and SAP (Enterprise Financial Management System)
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.
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 amounts were compared to SAP fixed assets reports.

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

Summary and Conclusion



Summary

The Department of Public Works (Department) reported:

Asset	Amount
Cash	\$ 117,294,141
Agency Funds	3,723,680
Fixed Assets	64,536,022
Other Assets	10,948,736

Signature/Fund Custodian Authorization form was submitted to ATC Accounts Payable Section. Assigned County credit cards and/or Cal-Cards did not need to be submitted as the outgoing Director did not have a County credit card/Cal-Card. A sensitive equipment listing has been filed with the Internal Audits Section within the last year.

The following conditions were noted:

- Cash funds were reported as \$117,294,141 on the CSAT, comprised of \$117,260,741 in cash with fiscal agent and \$33,400 in imprest cash funds. The cash with fiscal agent of \$117,260,741 was verified with audited financial statements and subsequent SAP transactions; however, the IAS cash database of imprest funds totaled \$33,075. Therefore, the amount reported on the CSAT was \$325 higher than official County records. This was due to a change fund with the Transportation Division that was not reported to IAS.
- Agency funds were reported as \$3,723,680 on the CSAT; however, the amount did not agree with the SAP agency fund amounts. SAP agency funds totaled \$3,843,414. Therefore, the amount reported on the form was \$119,734 lower than official County records.
- Fixed assets were reported as \$64,536,022 on the CSAT; however, the amount did not agree with the SAP Fixed Assets records. SAP fixed assets totaled \$68,506,681. Therefore, the amount reported on the CSAT was \$3,970,659 lower than official County records.



Conclusion

The Department's CSAT form for the incoming official Brendon Biggs, Interim Director, with the transfer date of November 25, 2019 was complete and filed timely, however, there were balances that did not agree to official County records.

We recommend that the Department investigate the inconsistencies and ensure that department records can be reconciled to official County records for all asset categories.