

# County of San Bernardino

**Auditor-Controller/Treasurer/Tax Collector  
Internal Audits Section**

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## **Department of Behavioral Health: Vehicle Follow-up Audit**



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# Auditor-Controller/Treasurer/Tax Collector

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## Department of Behavioral Health: Vehicle Follow-up Audit

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**January 31, 2019**

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**SUBJECT: VEHICLE FOLLOW-UP 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 Department of Behavioral Health’s vehicles for the period of April 1, 2018 through September 20, 2018. The objective of the audit was to determine if the recommendations for the finding in the Behavioral Health Vehicle Audit, issued on February 28, 2018, have been implemented. 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 issued on February 28, 2018. The recommendations from the original audit report have been partially implemented.

We sent a draft report to the Department on November 8, 2018 and discussed our observations with management on November 29, 2018. The Department’s response to the current status of our recommendations are included in this report.

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

Respectfully submitted,

**Ensen Mason, MBA, CPA, CFA**

Auditor-Controller/Treasurer/Tax Collector  
San Bernardino County

By:

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### Scope and Objective

Our audit examined the Department of Behavioral Health (Department)'s vehicles for the period of April 1, 2018 through September 20, 2018.

The objective of this follow-up audit was to determine whether the Department implemented the recommendations contained in the prior audit report, *Department of Behavioral Health Vehicle Audit*, issued on February 28, 2018.

### Methodology

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

- Interview of Behavioral Health staff.
- Review of the Department's updated vehicle procedures.
- Examination of a sample of vehicle logs.



**Prior Finding: The monitoring controls over the Department's use of County vehicles could be improved.**

The County's Internal Controls and Cash Manual (ICCM), chapter 2, states that by establishing appropriate internal controls, management is provided reasonable assurance that their objectives are being met in a supportive control environment. It is imperative that management establish internal controls, such as policies and procedures, and communicate them to the operating personnel. To be effective, internal controls should be continuously monitored by management to determine that they are operating as intended or are modified to reflect changes in conditions.

The following control deficiencies were noted:

- Fuel usage reports are not requested from the Fleet Management Department, therefore fuel usage is not being reviewed for reasonableness by supervisors.
- Vehicle mileage logs are reviewed for accuracy each month by supervisors but there is no documentation of the review.

If management does not establish the necessary controls to effectively monitor employee vehicle activity, then unauthorized use of County vehicles may not be identified and addressed in a timely manner.

**Recommendation:**

We recommend that supervisors regularly monitor and review their staff's vehicle activity and fuel usage to ensure it is reasonable in relation to the vehicle's business purpose. This review of staff vehicle and fuel usage should be documented in writing.

**Current Status: Partially Implemented**

The Department distributed a memo to staff that described the revised procedures for vehicle usage. The new procedures included the monthly vehicle activity and fuel usage review by the supervisors. The Department has implemented the monthly supervisor review of vehicle activity. Of the 10 vehicle logs selected for testing, we noted that they all showed evidence of the supervisor's review with a signature and date. Additionally, the vehicle log has been revised to include a column requiring the business purpose to assist in the fuel analysis.



However, the supervisors have not started requesting the vehicle fuel reports from Fleet Management to review along with the monthly vehicle activity for reasonableness. The Department will begin requesting the vehicle fuel reports from Fleet Management.

### **Management's Response:**

Clarification by the Auditor's regarding "reasonableness" and expectations for fuel usage reviews was provided to the Department. The Department of Behavioral Health will begin requesting quarterly reports of fuel usage from Fleet Management for supervisor review and signature beginning January 1, 2019 for the preceding quarter of October 1 – December 31, 2018. Any discrepancies will be noted and an explanation provided. Fuel usage reports and mileage logs will be maintained by the Facilities and Project Management unit.

### **Auditor's Response:**

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