

**SAN BERNARDINO COUNTY  
AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR  
INTERNAL AUDITS DIVISION**

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**PUBLIC WORKS:**

**REVIEW OF CERTIFIED STATEMENT OF ASSETS TRANSFERRED  
DATE OF TRANSFER— JANUARY 27, 2024**

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## *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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## **Audit Team**

**Denise Mejico, CFE**  
Chief Deputy Auditor

**Menaka Burkitt, CFE**  
Internal Audits Manager

**Rachel Ayala**  
Senior Supervising Accountant/Auditor

**Paulina Arias**  
Accountant/Auditor



**Public Works:  
Review of Certified Statement of Assets Transferred**

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# San Bernardino County



## Auditor–Controller/Treasurer/Tax Collector

**Ensen Mason CPA, CFA**

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*Assistant Auditor–Controller/Treasurer/Tax Collector*

June 17, 2024

Noel Castillo, Director  
Public Works  
825 East Third Street  
San Bernardino, CA 92415

RE: Review of Certified Statement of Assets Transferred  
Date of Transfer January 27, 2024

We have completed a review of the Public Works (Department) Certified Statement of Assets Transferred (CSAT) form for the incoming official Noel Castillo, Director of Public Works, as of the date of transfer of January 27, 2024. 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).


Our review determined that the form was complete and filed in a timely manner, however, there were amounts 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.

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

Respectfully submitted,

Ensen Mason CPA, CFA  
Auditor-Controller/Treasurer/Tax Collector  
San Bernardino County

By:   
Denise Mejico, CFE  
Chief Deputy Auditor

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Date Report Distributed: 6/17/24

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## **Purpose**

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 ATC a complete detailed inventory of all property belonging or pertaining to his/her office after assuming the duties of the office.

Departments are responsible for completing their own 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 Division (IAD).

## **Scope and Objectives**

Our review examined the CSAT form completed by the Department for the incoming official Noel Castillo, Director of Public Works, as of the date of transfer of January 27, 2024.

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-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 amounts were compared to the cash fund control records and department-provided bank statements.
ICCM Chapter 17-2 states that amounts of all fiduciary funds must be reconciled to the amount as of the transfer date.	Auditor obtained fiduciary fund amounts in SAP (Enterprise Financial Management System) and compared to the amounts provided by the Department, if any.
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 assets amounts were compared to SAP fixed assets reports.
ICCM Chapter 17-3 states that the department must provide the dollar value and supporting documentation of all other assets.	Department-provided amounts for other assets were compared to supporting documentation provided by the Department.

Additionally, we determined whether the annual reporting of sensitive equipment was filed with ATC-IAD, a Signature/Fund Custodian Authorization form was submitted to the ATC Accounts Payable Section, and whether the assigned County credit cards and/or Cal-Cards were canceled with the Purchasing Department.

## Summary

The Department reported:

Asset	Amount
Cash	\$ 248,272,670
Fiduciary Funds	236,905
Fixed Assets	89,005,892
Other Assets	12,973,562

A Signature/Fund Custodian Authorization form was submitted to the ATC Accounts Payable Section to cancel the outgoing officer's signature authority. Assigned County credit cards and/or Cal-Cards for the outgoing official were not required to be canceled with the Purchasing Department as the outgoing official did not have a County credit card or Cal-Card. A sensitive equipment listing has been filed with IAD within the last year.

The following conditions were noted:

- Cash funds of \$248,272,670 were reported on the CSAT form and the amount agreed with the cash fund control records and the department-provided bank statements. However, there was one fund of \$25 that was reported as a change fund when it should have been reported as a cash difference fund.
- Fiduciary funds of \$236,905 were reported on the CSAT form; however, the amount did not agree to the SAP fiduciary funds amount. SAP fiduciary funds from the date of transfer of January 27, 2024, totaled \$234,376. Therefore, the amount reported on the CSAT form was \$2,529 higher than official County records. One of the funds reported, fund 7390, was previously classified as a fiduciary fund, however, due to the implementation of GASB 84 – Fiduciary Activities in Fiscal Year 2021, the fund had been reviewed and reclassified to a special revenue fund, per GASB requirements.
- Other assets of \$12,973,562 were reported on the CSAT form; however, the amount did not agree to the supporting documentation provided by the Department. The supporting documentation provided totaled \$13,170,271. Therefore, the amount reported on the CSAT form was \$196,709 lower than the supporting documentation provided by the Department. The difference was due to a report totaling \$196,709 that was included in the supporting



documentation but was not included in the Department's reported total other assets.

### **Conclusion**

The Department's CSAT form for the incoming official Noel Castillo, Director of Public Works, as of the date of transfer of January 27, 2024, was complete and filed in a timely manner, however, there were amounts that were reported inaccurately.

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