

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



**CHILDREN AND FAMILY SERVICES:
REVIEW OF CERTIFIED STATEMENT OF ASSETS TRANSFERRED
DATE OF TRANSFER—JANUARY 3, 2022**

BOARD OF SUPERVISORS

COL. PAUL COOK (RET.)
FIRST DISTRICT

JANICE RUTHERFORD
SECOND DISTRICT

DAWN ROWE, VICE CHAIR
THIRD DISTRICT

CURT HAGMAN, CHAIRMAN
FOURTH DISTRICT

JOE BACA, JR.
FIFTH DISTRICT

ENSEN MASON CPA, CFA
AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR
268 WEST HOSPITALITY LANE
SAN BERNARDINO, CA 92415-0018
(909) 382-3183
WEBSITE: WWW.SBCOUNTY.GOV/ATC
FRAUD, WASTE, & ABUSE HOTLINE: (800) 547-9540



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

Denise Mejico, CFE
Chief Deputy Auditor

Menaka Burkitt, CFE
Internal Audits Manager

Steven Ems, CIA
Supervising Internal Auditor III

Daniel Seaton
Accountant II



**Children and Family Services:
Review of Certified Statement of Assets Transferred**

Review Report Letter	1
Purpose, Scope, Objectives, and Methodology	3
Summary and Conclusion	5



San Bernardino County

Auditor–Controller/Treasurer/Tax Collector

Ensen Mason CPA, CFA

Auditor–Controller/Treasurer/Tax Collector

John Johnson

Assistant Auditor–Controller/Treasurer/Tax Collector

Tori Roberts, CPA

Assistant Auditor–Controller/Treasurer/Tax Collector

November 23, 2022

Jeany Zepeda, Director
Children and Family Services
150 South Lena Road
San Bernardino, CA 92415-0515

RE: Review of Certified Statement of Assets Transferred
Date of Transfer January 3, 2022

We have completed a review of the Children and Family Services Department’s (Department) Certified Statement of Assets Transferred (CSAT) form for the incoming official Jeany Zepeda, Interim Director, as of the date of transfer of January 3, 2022. 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 not filed in a timely manner. Also, the form was not complete and there was an amount that was reported inaccurately. The Department did not submit support for the amounts reported, therefore, it could not be reviewed for accuracy or completeness.

We would like to express our appreciation to the personnel at the Children and Family Services 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

Distribution of Audit Report:

Col. Paul Cook (Ret.), 1st District Supervisor
Janice Rutherford, 2nd District Supervisor
Dawn Rowe, Vice Chair, 3rd District Supervisor
Curt Hagman, Chairman, 4th District Supervisor
Joe Baca, Jr., 5th District Supervisor
Leonard X. Hernandez, Chief Executive Officer
Grand Jury
San Bernardino County Audit Committee

Date Report Distributed: November 23, 2022

EM:DLM:DLS:oac



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 within five days 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 Children and Family Services Department for the incoming official Jeany Zepeda, Interim Director, as of the date of transfer of January 3, 2022.

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.
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.

Additionally, we determined whether the annual reporting of sensitive equipment was filed with the 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-Card were canceled with the Purchasing Department.

Summary

The Children and Family Services Department reported:

Asset	Amount
Cash	\$ 4,200
Fiduciary Funds	-
Fixed Assets	10,858,594
Other Assets	42,632,392

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 have been canceled with the Purchasing Department. A sensitive equipment listing has been filed with IAD within the last year.

The following conditions were noted:

- The Department was required to submit the CSAT no later than January 11, 2022, and the CSAT was submitted on January 27, 2022, therefore it was 12 business days late.
- The Department was required to submit documentation supporting the amounts reported in the CSAT form; however, the Department did not provide documentation supporting the amounts reported for cash, fiduciary funds, and fixed assets.
- Fixed assets of \$10,858,594 were reported on the CSAT form; however, the amount did not agree to the SAP fixed assets records. The SAP reports from the date of transfer of January 3, 2022, totaled \$968,000. Therefore, the amount reported on the CSAT form was \$9,890,594 higher than official County records.

Conclusion

The Department's CSAT form for the incoming official Jeany Zepeda, Interim Director, with the transfer date of January 3, 2022, was not filed in a timely manner. Also, the form was not complete and there was an amount that was reported inaccurately. The Department did not submit support for the amounts reported, therefore, it could not be reviewed for accuracy or completeness.

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