

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



**RISK MANAGEMENT DEPARTMENT:
REVIEW OF CERTIFIED STATEMENT OF ASSETS TRANSFERRED
DATE OF TRANSFER—JUNE 07, 2021**

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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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Internal Auditor II



Risk Management Department: Review of Certified Statement of Assets Transferred

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Auditor–Controller/Treasurer/Tax Collector

October 5, 2021

Victor Tordesillas, Director
Risk Management Department
222 W. Hospitality Lane, 3rd floor
San Bernardino, CA 92415

RE: Review of Certified Statement of Assets Transferred
Date of Transfer June 07, 2021

We have completed a review of the Risk Management Department (Department)’s Certified Statement of Assets Transferred (CSAT) form for the incoming official Victor Tordesillas, Interim Director, as of the date of transfer of June 07, 2021. 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, however was not filed in a timely manner, and some amounts 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 Risk Management Department who assisted and cooperated with us during this engagement.

Ensen Mason CPA, CFA

Auditor–Controller/Treasurer/Tax Collector

Douglas R. Boyd Sr., ESQ.

Assistant Auditor–Controller/Treasurer/Tax Collector

Tori Roberts CPA

Assistant Auditor–Controller/Treasurer/Tax Collector

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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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 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 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 Division (IAD).

Scope and Objectives

Our review examined the CSAT form completed by the Risk Management Department for the incoming official Victor Tordesillas, Interim Director, as of the date of transfer of June 07, 2021.

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 IAD Cash Database.
ICCM Chapter 17-2 states that amounts of all fiduciary funds must be reconciled to the amount as of the transfer date.	Auditor obtained trust and fiduciary fund amounts in SAP (Enterprise Financial Management System) and compared them 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, a Signature/Fund Custodian Authorization form was submitted to ATC Accounts Payable Section, and whether the assigned County credit cards and/or Cal-Cards were canceled with the Purchasing Department.

Summary

The Risk Management Department reported:

Asset	Amount
Cash	\$300
Fiduciary Funds	389,427,652
Fixed Assets	35,640
Other Assets	624,237

Assigned County credit cards and/or Cal-Cards for the outgoing official have been returned. A sensitive equipment listing has been filed with the Internal Audits Division (IAD) within the last year.

The following conditions were noted:

- The Department was required to submit the CSAT no later than June 14, 2021, and the CSAT form was submitted on June 21, 2021, therefore it was six business days late.
- A Signature/Fund Custodian Authorization form was not submitted to the ATC's Accounts Payable Section to cancel the outgoing officer's signature authority.
- Fiduciary funds of \$389,427,652 were reported on the CSAT form; however, both fiduciary and internal service funds were included, therefore the amount did not agree to the SAP fiduciary funds amount. SAP fiduciary funds from the date of transfer of June 07, 2021, total \$38,019. Therefore, the amount reported on the CSAT was \$389,389,633 higher than official County records.
- Fixed assets of \$35,640 were reported on the CSAT form; however, the Department reported the accumulated depreciation amount instead of the acquisition cost amount, therefore the amount did not agree to the SAP fixed assets records. The SAP reports from the transfer date of June 07, 2021, total \$38,467. Therefore, the amount reported on the CSAT form was \$2,827 lower than official County records.

Conclusion

The Department's CSAT form for the incoming official Victor Tordesillas, Interim Director, with the transfer date of June 07, 2021, was complete, however was not filed in a timely manner and there were amounts reported incorrectly. Additionally, the Signature/Fund Custodian Authorization form was not submitted to cancel the outgoing officer's signature authority.

We recommend that the Department investigate the differences and ensure that department records can be reconciled to official County records for all asset categories. We further recommend the Department submit a Signature/Fund Custodian Authorization form to the ATC Accounts Payable Section to cancel the outgoing official's signature authority.