

COUNTY OF SAN BERNARDINO
AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR
INTERNAL AUDITS SECTION



PURCHASING DEPARTMENT:
REVIEW OF CERTIFIED STATEMENT OF ASSETS TRANSFERRED
DATE OF TRANSFER – SEPTEMBER 28, 2020

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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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**Purchasing Department:
Review of Certified Statement of Assets Transferred**

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Auditor–Controller/Treasurer/Tax Collector

May 10, 2021

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Valerie Clay, Interim Purchasing Director

Purchasing Department
777 East Rialto Avenue
San Bernardino, CA 92415

**SUBJECT: Review of Certified Statement of Assets Transferred
Date of Transfer September 28, 2020**

We have completed a review of the Purchasing Department (Department)'s Certified Statement of Assets Transferred (CSAT) form for the incoming official Valerie Clay, Interim Director, as of the date of transfer of September 28, 2020. 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 filed in a timely manner. However, the form was not complete and 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 Purchasing 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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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 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 Purchasing Department for the incoming official Valerie Clay, Interim Director, as of the date of transfer of September 28, 2020.

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 IAS Cash Database.
ICCM Chapter 17-2 states that amounts of all trust and agency funds must be reconciled to the amount as of the transfer date.	Auditor obtained trust and agency 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, a Signature/Fund Custodian Authorization form was submitted to ATC Accounts Payable and whether the assigned County credit cards and/or Cal-Card were cancelled with the Purchasing Department.

Summary

The Purchasing Department reported:

Asset	Amount
Cash	\$1,500
Agency Funds	-
Fixed Assets	2,573,906
Other Assets	6,130,295

A Signature/Fund Custodian Authorization form was submitted to the Auditor-Controller/Treasurer/Tax Collector (ATC) Accounts Payable Section to cancel the outgoing officer's signature authority. Assigned County credit cards and/or Cal-Cards for the outgoing official had been returned. A sensitive equipment listing had been filed with the Internal Audits Section (IAS) within the last year.

The following conditions were noted:

- The CSAT form was incomplete and the Department did not provide support for the reported amounts for Cash, Fixed Assets or Other Assets.
- Fixed assets of \$2,573,906 were reported on the CSAT form; however, the amount did not agree to the SAP Fixed Assets records. The SAP reports from the Transfer Date of September 28, 2020 total \$2,672,781. Therefore, the amount reported on the CSAT was \$98,875 lower than official County records.
- Other assets of \$6,130,295 were reported on the CSAT form, however supporting documentation was not provided, and therefore this amount could not be verified.



Conclusion

The Department's CSAT form for the incoming official Valerie Clay, Interim Director, with the transfer date of September 28, 2020, was filed in a timely manner. However, the form was not complete and 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.