

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



**RISK MANAGEMENT DEPARTMENT:
REVIEW OF CERTIFIED STATEMENT OF ASSETS TRANSFERRED
DATE OF TRANSFER—SEPTEMBER 9, 2021**

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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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Internal Auditor IV



**Risk Management Department:
Review of Certified Statement of Assets Transferred**

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Auditor–Controller/Treasurer/Tax Collector

January 11, 2022

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 September 9, 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, Director, as of the date of transfer of September 9, 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 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 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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Date Report Distributed: January 11, 2022

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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 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 Risk Management Department for the incoming official Victor Tordesillas, Director, as of the date of transfer of September 9, 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 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 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-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 Risk Management Department reported:

Asset	Amount
Cash	\$300
Fiduciary Funds	425,870,992
Fixed Assets	35,640
Other Assets	624,237

A signature/Fund Custodian Authorization from and assigned County credit cards and/or Cal-Cards did not need to be submitted as this was a transition from Interim Director to Director. 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 September 16, 2021, and the CSAT form was submitted on September 23, 2021, therefore it was five business days late.
- Fiduciary funds of \$425,870,992 were reported on the CSAT; however, the amount did not agree to the SAP fiduciary fund amounts and the Department did not provide support. SAP fiduciary funds from the date of transfer of September 9, 2021, total \$449,663. Therefore, the amount reported on the CSAT was \$425,421,329 higher than official County records.
- Fixed assets of \$35,640 were reported on the CSAT; 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 date of transfer of September 9, 2021, totaled \$38,467. This resulted in an incorrect amount reported on the CSAT for fixed assets.



Conclusion

The Department's CSAT form for the incoming official Victor Tordesillas, Director, with the transfer date of September 9, 2021, was complete, however was not filed in a timely manner and there were amounts that were reported incorrectly.

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