

# OFFICE OF AUDITS & ADVISORY SERVICES



## DEPARTMENT OF ANIMAL SERVICES OFFICERS' TRANSITION AUDIT

### *FINAL REPORT*

Chief of Audits: [Juan R. Perez](#)  
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# County of San Diego

**TRACY M. SANDOVAL**  
DEPUTY CHIEF ADMINISTRATIVE OFFICER/  
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**JUAN R. PEREZ**  
CHIEF OF AUDITS

July 27, 2017

TO: Daniel DeSousa, Director  
Department of Animal Services

FROM: Juan R. Perez  
Chief of Audits

## FINAL REPORT: DEPARTMENT OF ANIMAL SERVICES OFFICERS' TRANSITION AUDIT

Enclosed is our report on the Department of Animal Services Officers' Transition Audit. We have reviewed your response to our recommendations and have attached it to the audit report.

The actions taken and/or planned, in general, are responsive to the recommendations in the report. As required under Board of Supervisors Policy B-44, we respectfully request that you provide quarterly status reports on the implementation progress of the recommendations. You or your designee will receive email notifications when these quarterly updates are due, and these notifications will continue until all actions have been implemented.

If you have any questions, please contact me at (858) 495-5661.

JUAN R. PEREZ  
Chief of Audits

AUD:EH:nb

Enclosure

c: April Heinze, Deputy Chief Administrative Officer, Community Services Group  
Tracy M. Sandoval, Deputy Chief Administrative Officer/Auditor and Controller  
Brian Hagerty, Group Finance Director, Community Services Group

## INTRODUCTION

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<b>Audit Objective</b>	The Office of Audits & Advisory Services (OAAS) has completed an officers' transition audit for the Department of Animal Services (DAS). The objective of the audit was to determine if there is reasonable assurance that the outgoing officer, Dawn Danielson, and incoming officer, Daniel DeSousa, took appropriate actions and filed required reports as of March 31, 2017 in compliance with California Codes, County regulatory requirements, and County policies and procedures. These requirements were explained in the instruction letter provided to each officer.
<b>Background</b>	The County Charter, Section 801.1(a), requires that OAAS conduct such an audit when County officers leave or assume office to determine if certain affidavits, authorizations, disclosures, and reports are properly completed and processed. These actions provide for an orderly transition of officers, establish proper accountability for public assets and promote the County's General Management System (GMS); including its key disciplines of accountability, transparency and ethical conduct, fiscal stability, continuous improvement, and innovation.
<b>Audit Scope &amp; Limitations</b>	<p>The reports are the responsibility of the officer who signs them. OAAS' responsibility is to provide an opinion on the reports based upon the audit.</p> <p>This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing prescribed by the Institute of Internal Auditors as required by California Government Code, Section 1236.</p>
<b>Methodology</b>	OAAS reviewed all the reports filed by the outgoing and incoming officers, obtained supporting documentation, and performed limited internal control testing.

## AUDIT RESULTS

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<b>Summary</b>	In our opinion, there is reasonable assurance that the outgoing and incoming officers took appropriate actions and filed required reports in compliance with California Codes, County regulatory requirements, and County policies and procedures in connection with an officer's transition. However, OAAS identified the following exceptions related to the internal controls over fixed assets and minor equipment and training for staff involved with Continuity of Operations Plan (COOP) activities.
<b>Finding I:</b>	<p><b>Internal Controls Over Fixed Assets and Minor Equipment</b></p> <p>DAS internal controls over fixed assets and minor equipment need to be strengthened. Specifically, the following was found:</p> <ul style="list-style-type: none"><li>• <b>Incorrect Location Recorded in Oracle</b> – OAAS selected a sample</li></ul>

of 12 fixed assets from the Oracle Fixed Assets Module (OFAM) for detail testing. While the correct location was recorded for 9 of the 12 fixed assets (75%), 3 assets had “default” recorded as the designated physical location of the asset.

- **Fixed Asset Missing From Capitalized Property (Fixed Asset Inventory Certificate)** – OAAS identified one (1) fixed asset, Dental X-Ray Unit, recorded on the Minor Equipment & Books Inventory Listing, with the comment recorded “this is a fixed asset”. OAAS verified the existence of the Dental X-Ray Unit and DAS confirmed the asset should be recorded on the Fixed Asset Inventory Certificate. The value of the Dental X-Ray Unit was recorded at \$0 on the Minor Equipment Inventory Listing.
- **Missing Fixed Asset Decals** – Three (3) of the 12 fixed assets tested (25%) did not have fixed asset decals attached.
- **Missing Minor Equipment County of San Diego Decals** – A sample of 20 minor equipment items were selected for testing. Of the 20 minor equipment items, 19 (95%) did not have “Property of the County of San Diego” decals attached. The items missing asset decals included portable radios, a printer, and tranquilizer guns.
- **Inaccurate Minor Equipment Inventory Balance Reported** – The minor equipment inventory balance reported to OAAS included eight (8) tranquilizer guns with a total assigned value of \$2,425. However, based on review of the manufacturer’s website, the eight tranquilizer guns should be valued at \$11,450. As a result, the minor equipment inventory balance is understated by \$9,025. See the difference of the values of the tranquilizer guns listed in the DAS Minor Equipment Inventory Listing and the manufacturer’s website in Table 1 below.

**Table 1. Comparison of Tranquilizer Gun Values**

Description	Quantity	Minor Equipment Inventory Value	Manufacturer Value	Difference
Pneu-Dart Tranquilizer Gun (with Case) (Central Shelter)	2	\$55 ea.	\$1,150 ea.	\$2,190
Pneu-Dart Tranquilizer Rifle (with Case) (Central Shelter)	1	\$130	\$1,900	\$1,770
Pneu-Dart Tranquilizer Gun (with Case) (South Shelter)	2	\$25 ea.	\$1,150 ea.	\$2,250
Pneu-Dart Tranquilizer Rifle (with case) (South Shelter)	1	\$1,900	\$1,900	\$0
Pneu-Dart Tranquilizer Gun (with Case) (North Shelter)	1	\$35	\$1,150	\$1,115
Pneu-Dart Tranquilizer Rifle (with Case) (North Shelter)	1	\$200	\$1,900	\$1,700
<b>Totals</b>	<b>8</b>	<b>\$2,425</b>	<b>\$11,450</b>	<b>\$9,025</b>

According to DAS management, the issues described above were the

result of a lack of training on DAS Inventory Procedures to staff.

The incorrect physical locations recorded in the OFAM and missing asset decals can increase the risk that physical inventories are not conducted properly. Further, missing decals increases the risk of theft, loss, and/or misappropriation of assets without detection.

Inaccurate recording of minor equipment items reported in the Minor Equipment Inventory Listing resulted in an understatement of \$9,025.

The County of San Diego Administrative Manual (Admin Manual) Item No. 0050-02-1 requires department heads to be responsible for all County property (assets) in their charge. The Admin Manual also states that decals should be affixed to the asset in a spot that is easily visible when conducting inventories and departments should establish a control system over all minor equipment and affix unnumbered "County of San Diego" decals to these assets.

The County of San Diego Fiscal Year-End Closing Manual states that departments should correct or enter any missing location code numbers to correspond with the physical location of the property.

**Recommendation:**

To improve the internal controls over the administration of fixed assets and minor equipment and ensure compliance with the Admin Manual, DAS should:

1. Provide refresher training to staff to ensure that they are aware of County policies related to the administration of fixed assets and minor equipment.
2. Make the necessary corrections to the OFAM to accurately reflect the physical location(s) of assets.
3. Add the fixed asset, Dental X-Ray Unit, to the OFAM with the correct value.
4. Review the Minor Equipment Inventory Listing to ensure no other fixed assets are erroneously included.
5. Adjust the values of the minor equipment items, tranquilizer guns and rifles, to reflect the correct values noted above.
6. Ensure that all fixed assets and minor equipment items have asset decals affixed.

**Finding II:**

**Staff Involved with COOP Activities Have Not Received Training**

DAS staff involved with COOP activities have not received training in over a year.

According to DAS management, coordinated departmental training on COOP activities had not been performed in over a year due to staff oversight.

If proper training is not provided to DAS staff involved with COOP activities, DAS staff may not be adequately prepared in the event of a disaster.

Per FEMA's Continuity Guidance for Non-Federal Governments, it is recommended that team training and internal testing/exercising of COOP plans and procedures be conducted at least annually, including training on the roles and responsibilities for personnel who are assigned to activate, support, and sustain continuity and devolution operations.

**Recommendation:**

To ensure compliance with FEMA's Continuity Guidance for Non-Federal Governments, DAS should:

1. Provide team training and exercising of COOP activities at least annually.

Office of Audits & Advisory Services

Compliance Reliability Effectiveness Accountability Transparency Efficiency

VALUE

**DEPARTMENT'S RESPONSE**  
(DEPARTMENT OF ANIMAL SERVICES)



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OFFICE OF AUDITS &  
ADVISORY SERVICES

## County of San Diego

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11 July 2017

TO: Juan R. Perez  
Chief of AuditsFROM: Daniel E. DeSousa, CAWA, Director  
Department of Animal Services

### DEPARTMENT RESPONSE TO AUDIT RECOMMENDATIONS: OFFICERS' TRANSITION AUDIT

#### **Finding I:** Internal Controls Over Fixed Assets and Minor Equipment

**OAAS Recommendation:** To improve the internal controls over the administration of fixed assets and minor equipment and ensure compliance with the Admin Manual, DAS should:

1. Provide refresher training to staff to ensure that they are aware of County policies related to the administration of fixed assets and minor equipment.
2. Make the necessary corrections to the OFAM to accurately reflect the physical location(s) of assets.
3. Add the fixed asset, Dental X-Ray Unit, to the OFAM with the correct value.
4. Review the Minor Equipment Inventory Listing to ensure no other fixed assets are erroneously included.
5. Adjust the values of the minor equipment items, including tranquilizer guns and rifles, to reflect the correct values noted above.
6. Ensure that all fixed assets and minor equipment items have asset decals affixed.

**Action Plan:** The Department agrees with this finding.

The Department has already completed recommendations 2, 4 and 5.

We are researching recommendation 3 with General Services as the unit was included in the shelter remodel but was not itemized at that time.

Animal Services will provide training to all staff regarding the County policies relating to the administration of fixed assets and minor equipment and will ensure that all fixed assets and minor equipment items have asset tags affixed.

**Planned Completion Date:** An inspection to ensure that all fixed assets and minor equipment items have asset tags affixed will be completed by September 1, 2017 as will adding the Dental X-Ray Unit to the OFAM. The fixed asset and minor equipment training will be completed by November 1, 2017.



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**Contact Information for Implementation:** Ofelia Valdez-Najar, Administrative Services Manager II

**Finding II:** Staff Involved with COOP Activities Have Not Received Training

**OAAS Recommendation:** To ensure compliance with FEMA's Continuity Guidance for Non-Federal Governments, DAS should:

1. Provide team training and exercising of COOP activities at least annually.

**Action Plan:** The Department agrees with this finding and will be conducting a tabletop exercise to ensure staff are aware of the COOP and their roles in ensuring that the Department can continue to provide service to the communities in a disaster

**Planned Completion Date:** January 1, 2018

**Contact Information for Implementation:** Daniel E. DeSousa, CAWA, Director

If you have any questions, please contact me at 619.767.2766.



Daniel E. DeSousa, CAWA  
Director

DDS:tg