

OFFICE OF AUDITS & ADVISORY SERVICES



DEPARTMENT OF PARKS & RECREATION OFFICERS' TRANSITION AUDIT

FINAL REPORT

Chief of Audits: [Juan R. Perez](#)
Audit Manager: [Lynne Prizzia, CISA, CRISC](#)
Auditor I: [Peter Serwach](#)

Intentionally Left Blank



County of San Diego

TRACY DRAGER
AUDITOR AND CONTROLLER

AUDITOR AND CONTROLLER
OFFICE OF AUDITS & ADVISORY SERVICES
5530 OVERLAND AVENUE, SUITE 330, SAN DIEGO, CA 92123-1261
Phone: (858) 495-5991

JUAN R. PEREZ
CHIEF OF AUDITS

January 27, 2020

TO: Jason Hemmens, Acting Director
Department of Parks and Recreation

FROM: Juan R. Perez
Chief of Audits

**FINAL REPORT: DEPARTMENT OF PARKS AND RECREATION OFFICERS' TRANSITION
AUDIT**

Enclosed is our report on the Department of Parks and Recreation 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.

A handwritten signature in blue ink, appearing to read "Juan R. Perez".

JUAN R. PEREZ
Chief of Audits

AUD:PS:nb

Enclosure

c: Sarah Aghassi, Deputy Chief Administrative Officer, Land Use and Environment Group
Tracy Drager, Auditor and Controller
Renee Loewer, Group Finance Director, Land Use and Environment Group

INTRODUCTION

Audit Objective	The Office of Audits & Advisory Services (OAAS) has completed an officers' transition audit for the Department of Parks & Recreation. The objective of the audit was to determine if there is reasonable assurance that the outgoing officer, Brian Albright, and incoming officer, Jason Hemmens, took appropriate actions and filed required reports as of September 27, 2019 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.
Background	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, and continuous improvement and innovation.
Audit Scope & Limitations	<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>
Methodology	OAAS reviewed all of the reports filed by the outgoing and incoming officers, obtained supporting documentation, and performed limited internal control testing.

AUDIT RESULTS

Summary	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, we noted the following exceptions:
Finding I:	Internal Controls Over Minor Equipment Need Improvement OAAS tested a sample of 24 items from minor equipment and could not obtain reasonable assurance that the balance reported in the Minor Equipment and Books Inventory Certificate is accurately presented. Exceptions were noted in the following areas:

- **Assets Recorded But Not Sighted** – Out of a sample of 24 items from the minor equipment list, 3 (12.5%) items could not be located, as shown on Table 1:

Description	Amount
Computer Monitor - Apple Studio Display Monitor	\$645.42
Drum Set - Simmons SD7PK Electronic Drum Set	\$599.00
Skate - Skate Equipment Knee & Ankle	\$860.90

- **Missing County of San Diego Decals** – Out of the sample of 24 minor equipment items, 12 items (50%) had no “County of San Diego” decals affixed to them, as shown on Table 2:

Description	Amount
Camera - Nikon D3000 SLR Digital	\$799.00
Computer - Apple Laptop, MacBook Pro 13.3	\$1,712.41
Table - Sports Equipment Foosball Table	\$2,293.30
Epson EX5250 Pro Business Projector	\$647.99
AMP - Amplifier (Moreno)	\$1,500.00
Lift - Power Lift (Main Hall)	\$4,000.00
Radio - EC36816	\$2,000.00
Audio System (Modular Equipment)	\$20,000.00
Chair - RFM Evolve #1535-25A Color	\$510.70
Ref - LG Black Refrigerator	\$1,148.52
TV Television Samsung 50" HDTV	\$996.43
ICE Maker - ICE-O-Matic	\$1,891.00

According to DPR staff, they were unaware that some items were missing asset decals. Additionally, the missing items may have been disposed, but there was no documentation available to support the disposition of these assets.

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: (1) decals should be affixed to the minor equipment in a spot that is easily visible when conducting inventories, and (2) departments should establish a control system over minor equipment and affix unnumbered “County of San Diego” decals to these assets.

Insufficient accountability of minor equipment increases the risk of theft, loss, and/or misappropriation of assets without detection. In addition, the balance reported to OAAS in the Minor Equipment and Books Inventory Certificate is incorrect.

Recommendation: To improve internal controls over minor equipment and ensure compliance with the Admin Manual, DPR should:

1. Provide refresher training to staff responsible for managing minor equipment to ensure that they are aware of County policies related to the administration of minor equipment.
2. Ensure that decals are affixed to items sighted.
3. Make necessary adjustments to the Inventory of Minor Equipment to correct the discrepancy reported in this audit.

Office of Audits & Advisory Services

C Compliance R Reliability E Effectiveness A Accountability T Transparency E Efficiency

VALUE

DEPARTMENT'S RESPONSE
(DEPARTMENT OF PARKS AND RECREATION)



County of San Diego

BRIAN ALBRIGHT
DIRECTOR
(858) 964-1301

DEPARTMENT OF PARKS AND RECREATION
5500 OVERLAND AVENUE, SUITE 410, SAN DIEGO, CA 92123
Administrative Office (858) 694-3030
www.sdparks.org

RECEIVED

January 23, 2020

JAN 27 2020

OFFICE OF AUDITS &
ADVISORY SERVICES

TO: Juan R. Perez
Chief of Audits

FROM: Jason Hemmens, Acting Director
Department of Parks and Recreation

DEPARTMENT RESPONSE TO AUDIT RECOMMENDATIONS: DEPARTMENT OF PARKS AND RECREATION OFFICERS' TRANSITION AUDIT

Finding I: Internal Controls Over Minor Equipment Need Improvement

OAAS Recommendation #1: Provide refresher training to staff responsible for managing minor equipment to ensure that they are aware of County policies related to the administration of minor equipment.

Action Plan: The Department agrees with the OAAS recommendation. We have required staff responsible for managing minor equipment to attend the training on Asset Management that will be conducted by OAAS on January 22, 2020. In addition, the Department's fiscal staff will present information on Asset Management during the Department's Site Manager's meeting scheduled on January 27, 2020.

Planned Completion Date: January 27, 2020

Contact Information for Implementation: Renee Hilton, Asst. Director

OAAS Recommendation #2: Ensure that decals are affixed to items sighted.

Action Plan: The Department agrees with the OAAS recommendation. We have affixed the missing decals on the minor equipment that were sighted during the audit. In addition, the Department is currently conducting its biennial physical inventory of capital assets and minor equipment. Consequently, all sighted minor equipment were verified to have asset decals affixed.



Mr. Juan R. Perez
January 23, 2020
Page 2

Planned Completion Date: Completed on January 16, 2020.

Contact Information for Implementation: Renee Hilton, Asst. Director

OAAS Recommendation #3: Make necessary adjustments to the Inventory of Minor Equipment to correct the discrepancy reported in this audit.

Action Plan: The Department agrees with the OAAS recommendation. Supporting documentation for the transfer/disposition of the unsighted items during the OAAS testing were subsequently located. Two of the items - the computer monitor and the skate equipment - were properly salvaged and are now removed from the Department's Minor Equipment inventory. The Drum Set was located at another location. The Department's inventory records were updated to reflect the transfer of this minor equipment to the appropriate location.

Planned Completion Date: Completed on January 14, 2020.

Contact Information for Implementation: Renee Hilton, Asst. Director

If you have any questions, please contact me at (858) 966-1342.

Sincerely,



JASON HEMMENS
Acting Director

JH:vd