

OFFICE OF AUDITS & ADVISORY SERVICES



DEPARTMENT OF PUBLIC WORKS OFFICERS' TRANSITION AUDIT

FINAL REPORT

Chief of Audits: [Juan R. Perez](#)
Audit Manager: [Lynne Prizzia, CISA, CRISC](#)
Auditor I: [Mercedes Pereira-Trent, MBA](#)

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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

September 10, 2020

TO: Jeff Moneda, Director
Department of Public Works

FROM: Juan R. Perez
Chief of Audits

FINAL REPORT: DEPARTMENT OF PUBLIC WORKS OFFICERS' TRANSITION AUDIT

Enclosed is our report on the Department of Public Works 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 "JRP", with a long, sweeping flourish extending to the right.

JUAN R. PEREZ
Chief of Audits

AUD:MPT: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 Public Works (DPW). The objective of the audit was to determine if there is reasonable assurance that the outgoing officer, Brian Albright (Interim) and incoming officer, Jeff Moneda, took appropriate actions and filed required reports as of June 8, 2020 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 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.

The audit scope included the review and verification of the implementation status of the four recommendations identified in the A20-004 Transition Audit finalized in March 2020.

Due to this recent audit, no detail testing was performed for the A20-026 Transition Audit.

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.

Methodology OAAS performed the current audit using the following methods:

- Reviewed the reports filed by the outgoing and incoming officers for accuracy and completeness, obtained supporting documentation, and performed limited internal control testing.
- Reviewed recommendations and corresponding findings identified in the A20-004 Transition Audit.
- Interviewed management and staff of DPW who were responsible for the implementation of audit recommendations.
- Validated through observation, inspection of records, and data analysis whether recommendations had been implemented and the original findings addressed.

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.

Additionally, DPW has made progress in strengthening the controls over Capitalized Assets and Materials and Supplies since June 2020. Of the four prior recommendations, DPW has implemented three recommendations and partially implemented one recommendation as shown in Appendix A.

APPENDIX A**Implementation Status of Prior Audit Recommendations**

Original Finding	Original Recommendation	Implementation Status As of June 24, 2020		
		Implemented	Partially Implemented	Not Implemented
I. Inaccurate Materials and Supplies Certificate	To ensure accuracy of the materials and supplies inventory and compliance with the Fiscal Year-End Closing Manual, DPW should implement procedures to ensure that the department's inventory coordinators verify that all applicable materials and supplies are tracked and reported for all locations, including those purchased but not yet delivered.	✓		
II. COOP Training Not Conducted Annually	To ensure compliance with County requirements and FEMA's Continuity Guidance for Non-Federal Government, DPW should provide team training and exercising of COOP activities at least annually.		✓ (See Note ①)	
III. Internal Controls Over Capitalized Assets	To strengthen inventory controls over capitalized assets, DPW should: 1. Develop appropriate internal controls over administration of department assets to ensure that individuals in charge of the assets have a clear understanding of their duties and responsibilities and are aware of County policies related to the administration of assets.	✓		
	2. Submit Form AUD253 to A&C PRGA to correct discrepancies noted which include adding or updating asset tags and transferring Asset No.1004771 to the minor equipment listing.	✓		

① In October 2019, DPW developed a department-wide COOP training and updated all sections of the COOP in preparation to conduct the department-wide training scheduled for May 2020. In March 2020, due to the COVID-19 Public Health Emergency, training was postponed and DPW activated the COOP. During the COOP activation, DPW made ongoing updates to the COOP to ensure continued seamless operations, including implementation of the Pandemic COOP Chapter. Training was delayed due to actual activation of the COOP and DPW anticipates that department-wide training will be conducted by October 31, 2020.

Office of Audits & Advisory Services

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

VALUE

DEPARTMENT'S RESPONSE
(DEPARTMENT OF PUBLIC WORKS)



County of San Diego

JEFF C. MONEDA
DIRECTOR

DEPARTMENT OF PUBLIC WORKS
5510 OVERLAND AVENUE, SUITE 410
SAN DIEGO, CA 92123-1237
(858) 694-2212
www.sdcountry.ca.gov/dpw/

September 10, 2020

TO: Juan R. Perez
Chief of Audits

FROM: Jeff Moneda, Director
Department of Public Works

DEPARTMENT RESPONSE TO AUDIT RECOMMENDATIONS: DEPARTMENT OF PUBLIC WORKS OFFICERS' TRANSITION AUDIT

Finding I: COOP Training Not Conducted Annually

OAAS Recommendation #1: To ensure compliance with County requirements and FEMA's Continuity Guidance for Non-Federal Government, DPW should provide team training and exercising of COOP activities at least annually.

Action Plan: The Department agrees with the OAAS recommendation. The Department postponed the department-wide training, originally scheduled for May 2020, due to the COVID-19 Public Health Emergency and activation of the COOP. The Department will schedule department-wide training to be conducted by October 31, 2020.

Planned Completion Date: October 31, 2020

Contact Information for Implementation: Derek Gade, Asst. Director

If you have any questions, please contact me at (858) 694-2233

Sincerely,

Jeff Moneda

Digitally signed by Jeff
Moneda
Date: 2020.09.10
10:04:46 -07'00'

JEFF MONEDA
Director

JM:tv