

# OFFICE OF AUDITS & ADVISORY SERVICES

## DEPARTMENT OF ANIMAL SERVICES OFFICERS' TRANSITION AUDIT

*FINAL REPORT*



Chief of Audits: [Juan R. Perez](#)  
Audit Manager: [Christopher Efird, CPA](#)  
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TRACY DRAGER  
AUDITOR AND CONTROLLER

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JUAN R. PEREZ  
CHIEF OF AUDITS

September 16, 2024

TO: Vaughn Maurice, 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:VC:nb

Enclosure

c: Andrew Strong, Interim Deputy Chief Administrative Officer, Public Safety Group  
Tracy Drager, Auditor and Controller  
Rosemarie Degracia, Group Finance Director, Public Safety Group

## About the Office of Audits & Advisory Services

The mission of the Auditor and Controller's Office of Audits & Advisory Services (OAAS) is to provide independent, objective assurance and consulting services designed to add value and improve the County of San Diego's operations. OAAS helps the County accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

### Audit Authority

OAAS derives its authority to conduct audits of County departments and programs primarily from the County Charter, County Administrative Code, Board of Supervisors Policy Manual, and California Government Code.

### Statement of Auditing Standards

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.



# AUDIT OBJECTIVE & SCOPE

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The Office of Audits & Advisory Services (OAAS) has completed an officers' transition audit for the Department of Animal Services (DAS). A total of two officer transitions were included in the scope of this audit as outlined below by transition date:

1. January 9, 2024 – Kelly Cambell to Carl Smith, and
2. April 18, 2024 – Carl Smith to Steve Lujan.

The objective of the audit was to determine if there is reasonable assurance that the outgoing officers and incoming officers took appropriate actions and filed required reports 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.

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.

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.

# AUDIT RESULTS

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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 identified the following areas as opportunities for improvement:

## Finding I: Controls Over Asset Management Need Improvement

OAAS conducted a review of Capital Assets and Minor Equipment. The following deficiencies related to the administration of these assets were identified:

- **Minor Equipment Tagging:** Of the 36 minor equipment items tested, 17 were not properly tagged with COSD property tags.
- **Missing Minor Equipment:** DAS was unable to locate one sampled minor equipment asset, a Panasonic Video Camera with a purchase price of \$300.00, at the North County facility.
- **Salvage Needed for Minor Equipment:** At the North County Facility, one minor equipment asset listed in the Minor Equipment Inventory Listing (MEIL), an Idexx Vet Test Machine valued at \$1,000.00, needs to be salvaged. This machine is considered older technology and no longer meets current veterinary standards.

- **MEIL Not Properly Updated:** At the South County Facility, OAAS was unable to trace an AED Machine to the MEIL.
- **Capital Asset Tagging:** One Capital Asset, an X-ray System (Vet Ray) valued at \$18,179.92, included in the Oracle Fixed Asset report, was missing a COSD Asset Tag.

County Administrative Manual Item No. 0050-02-01 states that department heads are responsible for all County property in their charge. These responsibilities include identification and control of these assets, filing of inventories, and submission of reports as specified by the Board of Supervisors.

Deficiencies in internal controls related to the tracking of assets increases the risk of misappropriation, misuse, or loss.

## RECOMMENDATION:

To strengthen inventory controls over minor equipment and capitalized assets DAS should:

1. Ensure that employees with asset management responsibilities are trained and understand their duties as required by County Policy.
2. Ensure that the exceptions noted are resolved.

## Finding II: Safe Access Security

OAAS conducted an examination of the controls over revolving funds and identified the following deficiencies related to safe access security:

- Safe access is not monitored through an access log.
- Access is not limited to a minimum number of authorized personnel.
- Safe combinations are not changed periodically or when there is employee turnover.

The Treasurer-Tax Collector (TTC) Cash Handling Policies and Procedures state that access to safe combinations should be limited to a minimum number of authorized personnel. Additionally, it states that access to the safe must be monitored through a written access log. The safe combinations should be changed periodically and always when permanent custody changes (employee turnover).

DAS staff were not fully aware of all the policy requirements related to safe access security. Deficiencies in internal controls related to the proper cash-handling procedures increases the risk of asset misappropriation, misuse, or loss.

## RECOMMENDATION:

To strengthen internal controls over revolving funds DAS should:

1. Ensure that all employees responsible for revolving funds have read the TTC Cash Handling procedures and understand the requirements for the administration of revolving funds.
2. Implement and document processes to ensure the following:

- a. Safe access is monitored through an access log.
- b. Access is limited to a minimum number of authorized personnel.
- c. Safe combinations are changed periodically and when there are permanent custody changes or employee turnover.

## **Finding III:**

### **No Evidence of COOP Testing or Training**

OAAS was unable to verify that Continuity of Operations (COOP) testing had been performed and that appropriate personnel had received COOP training.

Lack of adequate planning by DAS to provide training to staff and periodically test the COOP plan increases the risk to employee safety and business continuity in the event of an emergency.

The County Administrative Manual Policy 0050-01-12 states that departments are responsible for developing and maintaining COOP plans and procedures, delivering necessary training to staff in the use of these procedures, and establishing regular testing and validation of their plans.

### **RECOMMENDATION:**

To ensure business continuity in the event of an emergency, DAS should:

- 1. Ensure all appropriate DAS staff attend COOP training and awareness provided by OES.
- 2. Implement and document a process to conduct biennial COOP testing.

## **BACKGROUND**

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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.

## **METHODOLOGY**

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OAAS reviewed all the reports filed by the outgoing and incoming officers, obtained supporting documentation, and performed limited internal control testing.

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





# County of San Diego

**VAUGHN MAURICE**  
DIRECTOR

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September 9, 2024

TO: Juan R. Perez  
Chief of Audits

FROM: Vaughn Maurice, Director  
Animal Services

## DEPARTMENT RESPONSE TO AUDIT RECOMMENDATIONS: DEPARTMENT OF ANIMAL SERVICES OFFICERS' TRANSITION AUDIT

### **Finding I:** Controls Over Asset Management Need Improvement

**OAAS Recommendation:** To strengthen inventory controls over minor equipment and capitalized assets DAS should:

1. Ensure that employees with asset management responsibilities are trained and understand their duties as required by County Policy.
2. Ensure that the exceptions noted are resolved.

**Action Plan:** DAS agrees with this finding. DAS is implementing the recommendations as follows:

1. DAS staff involved in receiving items and conducting inventory have been instructed on the importance of tagging all minor equipment. All items noted on the audit as missing COSD property stickers have been tagged and additional COSD property stickers were provided to staff responsible for issuing equipment to ensure timely affixing of stickers.
2. All exceptions noted will be resolved by end of October 2024. In response to the deficiencies identified on the audit report: DAS inventory has been updated to match inventory on hand, obsolete Minor Equipment has been scheduled for salvage drop off and a replacement COSD Capital Asset Tag has been requested from A&C.



**Planned Completion Date:** October 2024

**Contact Information for Implementation:** Caroline Mosher (760) 496-9225

**Finding II:** Safe Access Security

**OAAS Recommendation:** To strengthen internal controls over revolving funds DAS should:

1. Ensure that all employees responsible for revolving funds have read the TTC Cash Handling procedures and understand the requirements for the administration of revolving funds.
2. Implement and document processes to ensure the following:
  - a. Safe access is monitored through an access log.
  - b. Access is limited to a minimum number of authorized personnel.
  - c. Safe combinations are changed periodically and when there are permanent custody changes or employee turnover.

**Action Plan:** DAS agrees with most of this finding, with one exception. In response to the recommendations listed on the audit report:

1. All employees responsible for revolving funds have been provided with the TTC Cash Handling procedures and understand the requirements. TTC has not provided this training for three years and they are referring employees to contact the Association of Public Treasurers (APT). As of the today, APT does not have dates of next available training. All employees who have not already attended the Cash Handling Workshop will attend the next available session which is currently undetermined.
2. A safe access log has been implemented and is being used to track safe access. Safe combinations shall be changed periodically and when there are permanent custody changes or employee turnover. However, DAS disagrees with the finding that safe access needs to be limited to a minimum number of authorized personnel. Currently, only staff who handle cash in their daily duties and their supervisors have access to the safe. To restrict this number of staff further would hinder daily operations and function of the department.

**Planned Completion Date:** September 2024

**Contact Information for Implementation:** Caroline Mosher (760) 496-9225

**Finding III:** No Evidence of COOP Testing or Training

**OAAS Recommendation:** To ensure business continuity in the event of an emergency, DAS should:

1. Ensure all appropriate DAS staff attend COOP training and awareness provided by OES.
2. Implement and document a process to conduct biennial COOP testing.



**Action Plan:** DAS agrees with this finding. DAS will schedule COOP training sessions to commence in October 2024 with all relevant staff attending by end of December 2024. DAS will develop and document the testing process. DAS will review and update department COOP training and testing processes annually to ensure continued compliance and effectiveness.

**Planned Completion Date:** December 2024

**Contact Information for Implementation:** Denise Gove (619) 209-1432

If you have any questions, please contact me at (760) 496-4159.



Vaughn Maurice  
Director

