

OFFICE OF AUDITS & ADVISORY SERVICES

HEALTH AND HUMAN SERVICES AGENCY CHIEF FINANCIAL OFFICERS' TRANSITION AUDIT

FINAL REPORT



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

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JUAN R. PEREZ
CHIEF OF AUDITS

April 17, 2026

TO: Charissa Japlit, Executive Finance Director
Health and Human Services Agency

FROM: Juan R. Perez
Chief of Audits

FINAL REPORT: HEALTH AND HUMAN SERVICES AGENCY CHIEF FINANCIAL OFFICERS'
TRANSITION AUDIT

Enclosed is our report on the Health and Human Services Agency Chief Financial 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 cursive script that reads "Juan R. Perez".

JUAN R. PEREZ
Chief of Audits

AUD:GS:nb

Enclosure

c: Liz Hernandez, Deputy Chief Administrative Officer, Health and Human Services Agency
Jennifer Bransford-Koons, Interim Chief Operations Officer, HHSA
Tracy Drager, Auditor and Controller
Christy Carlson, Director, Business Assurance and Compliance, HHSA
Tony Pham, Revenue & Budget Manager, Health and Human Services Agency

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 Global Internal Audit Standards prescribed by the Institute of Internal Auditors as required by California Government Code, Section 1236.



AUDIT OBJECTIVE & SCOPE

The Office of Audits & Advisory Services (OAAS) has completed an officers' transition audit for the Health and Human Services Agency (HHSA) Chief Financial Officer. The objective of the audit was to determine if there is reasonable assurance that the outgoing officer, Amy Thompson, and incoming officer, Charissa Japlit, took appropriate actions and filed required reports as of October 3, 2025, 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.

AUDIT RESULTS

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 area as an opportunity for improvement.

Finding I:

Bank Reconciliation – Stale Dated Reconciling Items

Based on a review of the bank reconciliation for the HHSA Fiscal Revolving Fund, OAAS identified immaterial (under \$5k in total) unreconciled items that have been outstanding for more than 60 days, with the oldest dating back to December 2020.

When reconciling items remain unresolved for extended periods, they can distort reported balances and reduce the accuracy of financial records. Long-outstanding items also elevate the risk of fraud by creating opportunities for irregularities to remain undetected. In addition, the longer these items remain unresolved, the more difficult and time-consuming they become to research and clear, resulting in operational inefficiencies and delays in the reconciliation process.

The unreconciled items had not been investigated or resolved in a timely manner due to high employee turnover and the associated loss of institutional knowledge. Best practices indicate that reconciling items should not remain outstanding for more than 60 days. They also recommend establishing an action plan that clearly identifies responsibility for researching and clearing reconciling items and outlines any additional steps needed to prevent the items from recurring in future reconciliations.

When the unreconciled items were identified by OAAS, HHSA fiscal promptly took appropriate steps to research and resolve them. Most of the items have since been fully resolved and were not present on the February 2026 bank reconciliation.

Two small dollar stale dated checks continue to be outstanding for more than 60 days. According to HHSA Fiscal, they have implemented a change to the process where stale dated checks will

be voided immediately after expiration while they actively work and coordinate with the respective HHSa departments to determine whether replacement checks need to be issued.

RECOMMENDATION:

HHSa Fiscal should continue working with the respective HHSa departments to resolve the stale dated checks that have been outstanding for more than 60 days.

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.

METHODOLOGY

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

DEPARTMENT'S RESPONSE
(HEALTH AND HUMAN SERVICES AGENCY)



ELIZABETH A. HERNANDEZ, Ph.D.
INTERIM DEPUTY CHIEF
ADMINISTRATIVE OFFICER

HEALTH AND HUMAN SERVICES AGENCY
FINANCIAL AND SUPPORT SERVICES DIVISION
1600 PACIFIC HIGHWAY, ROOM 206, SAN DIEGO, CALIFORNIA 92101-2417
(619) 515-6555

CHARISSA JAPLIT
INTERIM CHIEF FINANCIAL OFFICER

April 15, 2026

TO: Juan R. Perez
Chief of Audits

FROM: Charissa Japlit
Exec Finance Director, Health & Human Services Agency

DEPARTMENT RESPONSE TO AUDIT RECOMMENDATIONS: HHSA CHIEF FINANCIAL OFFICER'S TRANSITION AUDIT

Finding I: Bank Reconciliation - Stale Dated Reconciling Items

OAAS Recommendation: HHSA Fiscal should continue working with the respective HHSA departments to resolve the stale dated checks that have been outstanding for more than 60 days.

Action Plan: We agree with the recommendation. HHSA Fiscal has implemented a change to the process where stale dated checks will be voided immediately after expiration while we actively work and coordinate with the respective HHSA departments to determine whether replacement checks need to be issued. Two small amount stale dated checks, that were mentioned in the audit report, have been voided.

Planned Completion Date: 04/30/2026

Contact Information for Implementation: Toan (Tony) Pham, Revenue and Budget Manager

If you have any questions, please contact me at (619) 531-5409.

Charissa.Japlit@sdcounty.ca.gov
Digitally signed by Charissa Japlit@sdcounty.ca.gov
Date: 2026.04.15 11:20:06 -0700

Charissa Japlit
Exec Finance Director