

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM : AUDITOR CONTROLLER

SUBMITTAL DATE:

October 6, 2016

SUBJECT: Internal Audit Report 2016-002: Riverside University Health System – Public Health, Countywide Vendor Discount Audit, [District: All]; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2016-002: Riverside University Health System – Public Health, Countywide Vendor Discount Audit

Consent

Paul Angulo

Paul Angulo, Director of Auditor Controller 10/7/2016

BACKGROUND:

Summary

We have completed a countywide audit to provide management and the Board of Supervisors with an independent assessment of internal controls over vendor discounts. This report assesses the Riverside University Health System - Public Health internal controls over the accounts payable process as it relates specifically to vendor discounts. We conducted the audit from March 26, 2016 through June 21, 2016 for vouchers paid during the period of July 1, 2013 through December 31, 2015.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS:			Budget Adjustment:	NO
			For Fiscal Year:	N/A

C.E.O. RECOMMENDATION:

BACKGROUND:

Summary (continued)

Based upon the results of our audit, we identified opportunities for improvement of internal controls over the accounts payable process as it relates specifically to vendor discounts. Public Health internal controls over vendor discounts do not provide reasonable assurance that its objectives relating to this area will be achieved. Reasonable assurance recognizes internal

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controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

Impact on Residents and Businesses

Provide an assessment of internal controls over the audited areas.

Additional Fiscal Information

N/A

ATTACHMENT A.

Riverside County Auditor-Controller's Office Internal Audit Report 2016-002: Riverside University Health System – Public Health, Countywide Vendor Discount Audit