

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

419



**FROM:** County Auditor-Controller

**SUBMITTAL DATE:**  
September 6, 2011

**SUBJECT:** Internal Audit Report: 2010-307: Riverside County Regional Medical Center, Disposal of Computers and Related Equipment Follow-up Audit

**RECOMMENDED MOTION:** Receive and file Internal Audit Report: 2010-307: Riverside County Regional Medical Center, Disposal of Computers and Related Equipment, Follow-up

**BACKGROUND:** The Internal Audit Division of the Auditor-Controller's Office has completed a follow-up audit of the Disposal of Computers and Related Equipment at Riverside County Regional Medical Center. The audit was limited to reviewing actions taken, as of June 20, 2011, to correct the finding noted in our original audit report 2008-004.2 dated November 10, 2008.

Based upon the results of our audit, we determined that the Riverside County Regional Medical Center took corrective action to address the finding noted.

*Paul Angulo*  
Paul Angulo, CPA, MA  
County Auditor-Controller

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

<b>SOURCE OF FUNDS:</b> N/A	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

BY: *Karen L. Johnson*  
Karen L. Johnson

**County Executive Office Signature**

- Policy
- Policy
- Consent
- Consent

Dept's Recomm.:  
Per Exec. Ofc.:

**Prev. Agn. Ref.:** | **District:** All | **Agenda Number:**

2.4



**COUNTY OF RIVERSIDE  
OFFICE OF THE  
AUDITOR-CONTROLLER**

County Administrative Center  
4080 Lemon Street, 11<sup>th</sup> Floor  
P.O. Box 1326  
Riverside, CA 92502-1326  
(951) 955-3800  
Fax (951) 955-3802



September 6, 2011

Douglas D. Bagley, Chief Executive Officer  
Riverside County Regional Medical Center  
26520 Cactus Avenue  
Moreno Valley, CA 92555

**Subject: Internal Audit Report 2010-307: Riverside County Regional Medical Center,  
Disposal of Computers and Related Equipment Follow-up Audit**

Dear Mr. Bagley:

We have completed the Follow-up audit of the Disposal of Computers and Related Equipment at Riverside County Regional Medical Center (RCRMC). Our audit was limited to reviewing the action taken as of June 20, 2011 to correct the finding noted in Internal Audit Report 2008-004.2, dated November 10, 2008.

We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance that our objective, as described in the preceding paragraph is achieved. Additionally, the standards require that we conduct the audit to provide sufficient, reliable, and relevant evidence to achieve the audit objectives. We believe the audit provides a reasonable basis for our conclusion.

The original audit report contained one finding which required corrective action and therefore, was reviewed as part of this audit. For an understanding of the original audit, Internal Audit Report 2008-004.2, please refer to [www.auditorcontroller.org](http://www.auditorcontroller.org).

**Computer Disposal**

**Finding 1:** There is no formal document establishing responsibility for collecting portable electronic devices due from resigning employees. The Information Services, Communications, and Administration departments share this responsibility. The lack of documented procedure increases the likelihood that portable electronic devices due from resigning employees may not be retrieved. The Auditor-Controller Standard Practice Manual 104 requires departments maintain an effective system of internal control that includes safeguarding of assets.

**Current Status: Corrected.** RCRMC issued policy number 421 (Return of County Property) on December 8, 2008, a hospital-wide policy to address the adequacy of controls on the return of county-issued equipment. Additionally, in February 2011, the RCRMC's Information Services/Communications Procedure Manual was revised to include policy no. Com. 020-0127 (Equipment Asset Control) addressing the return of county-issued equipment from personnel prior to the termination, resignation, retirement or separation from RCRMC. The policy applies to the following assets: pagers, laptops, cell phones, and mobile computer devices.

We reviewed documentation relating to employees terminated during the period, May 1, 2011, to June 20, 2011 to ensure county-issued equipment was returned as required. Based on our review, we determined county-issued equipment was returned and the policies and procedures in place were followed. The policy and procedure are adequate provided they continue to be adhered to on a consistent basis.

We appreciate the cooperation and assistance extended to us by management and staff of the Riverside County Regional Medical Center during this follow-up audit.

Paul Angulo, CPA, MA  
Auditor-Controller

A handwritten signature in black ink that reads "Russell Dominski". The signature is written in a cursive style with a large, sweeping initial "R".

By: Russell Dominski  
Chief Accountant

cc: Board of Supervisors  
Executive Office  
Grand Jury