

COUNTY OF RIVERSIDE, CALIFORNIA
BOARD OF SUPERVISORS POLICY

<u>Subject:</u>	<u>Policy Number</u>	<u>Page</u>
CONDUCT OF, AND RESPONSE TO, MANAGEMENT AUDITS	A-33	1 of 2

Policy:

Ordinance 442.3 General Administration items 4 (f) and 4 (g) authorize the County Executive Officer to conduct comprehensive management reviews and investigations of programs, projects and departments. The purpose of this policy is to adopt procedures for implementation of this management audit responsibility. Management audits may originate in several ways:

1. A department head may request an audit;
2. The Board of Supervisors may direct the County Executive Officer to conduct an audit. (This could be done in response to a recommendation of the County Grand Jury);
3. The County Executive Officer may submit a management audit program to the Board of Supervisors for direction as to departments to be audited;
4. As part of his Internal Audits Program, the Auditor-Controller may request the County Executive Officer to conduct a management audit;
5. The County Executive Officer may initiate an audit in fulfillment of his responsibilities under Ordinance No. 442.3.

It is the policy of the Board of Supervisors that formal audit reports shall be completed in a timely manner. It is the intent of the Board that once an audit is initiated, it is finalized in fewer than six months unless there are compelling circumstances to warrant an extension. It shall then be the responsibility of the County Executive Officer or Auditor-Controller to provide an interim progress report to the Board of Supervisors with a written justification for a requested extension of time.

Procedure:

1. For formal audits, the County Executive Officer, or his designee, notifies the department head and Auditor-Controller of the impending audit, and requests that staff be notified and directed to cooperate.
2. Upon conclusion of the audit team's research, a draft Management Audit Report is prepared. Upon approval by the County Executive Officer, it is then transmitted to the department head for confidential review and comment.
3. If the department head disagrees with the report, in part or whole, an effort is made to reconcile the differences.
4. The final audit report may be distributed to the Board of Supervisors, department head, Auditor-Controller, and the Grand Jury (when the audit is a response to a Grand Jury report).

COUNTY OF RIVERSIDE, CALIFORNIA
BOARD OF SUPERVISORS POLICY

<u>Subject:</u>	<u>Policy</u> <u>Number</u>	<u>Page</u>
CONDUCT OF, AND RESPONSE TO, MANAGEMENT AUDITS	A-33	2 of 2

Reponses To All Audit Reports:

1. It is the intention of the Board of Supervisors that the department heads provide an adequate written response to recommendations made by the County Executive Officer or the Auditor-Controller's Office in formally-issued audit reports. To comply with this directive, written replies shall be:
 - a. Received no later than the response-required date contained in the audit report;
 - b. Directed specifically to each recommendation, either agreeing with the recommendation or presenting an explanation for non-concurrence;
 - c. Presented with specific timing for proposed corrective action; and
 - d. Signed by the department head.

2. Upon receipt of a reply to an audit report, the responsible audit office will evaluate it for compliance with this policy.
 - a. If found acceptable, the reply will be processed in accordance with routine internal procedures.
 - b. If found unacceptable, the department head will be contacted, in writing if necessary, and advised of the shortcoming of the reply and the needed corrective action.

3. If in the Auditor-Controller's judgment, a satisfactory reply to his reports cannot be obtained, the County Executive Officer will be requested to assist in obtaining an adequate reply.

4. If the County Executive Officer is unable to obtain satisfactory replies to Auditor-Controller or Executive Office reports, he or she will advise the members of the Board, in writing, of the circumstances, and either recommend Board action or request further direction.

Reference:

Minute Order dated 05/06/1986
Minute Order dated 09/30/1986
Minute Order 3.7 of 11/07/2006