



MEMORANDUM

Date: August 13, 2018 File No.: 8132

To: Robert P. David, Director
Office of Statewide Health Planning and Development
2020 West El Camino Avenue, Suite 1200
Sacramento, CA 95834

From: Department of General Services
Office of Audit Services

Subject: **AUDIT REPORT: COMPLIANCE WITH STATE BUSINESS
MANAGEMENT POLICIES**

Attached is the final report on our compliance audit of the business management functions and services of the Office of Statewide Health Planning and Development (OSHDP). The objective of our audit was to determine compliance with policies set forth in the State Administrative Manual, and the terms and conditions of any specific delegations of authority or exemptions from approval granted by the Department of General Services (DGS).

As noted in the report, we concluded that OSHDP is conducting its business management functions and services in compliance with state requirements.

We greatly appreciated the cooperation and assistance provided by OSHDP's personnel.

If you have any questions, please call / e-mail me at (916) 376-5064 / Dennis.Miras@dgs.ca.gov, or Susan Mitchel, at (916) 376-1909 / Susan.Mitchel@dgs.ca.gov.

Dennis M Miras

DENNIS M MIRAS, CIA
Manager, Office of Audit Services

Attachment

cc: Fran Mueller, Chief Deputy Director
Monica Flowers, Deputy Director, Administrative Services Division
Purchasing Authority Management Section (PAMS), Procurement Division, DGS

**GOVERNMENT OPERATIONS AGENCY
DEPARTMENT OF GENERAL SERVICES**

**AUDIT OF THE OFFICE OF STATEWIDE
HEALTH PLANNING AND DEVELOPMENT**

**FOR COMPLIANCE WITH STATE
BUSINESS MANAGEMENT POLICIES
REPORT NO. 8132**

OFFICE OF AUDIT SERVICES

JUNE 2018

**OFFICE OF STATEWIDE HEALTH
PLANNING AND DEVELOPMENT
COMPLIANCE AUDIT
REPORT NO. 8132**

TABLE OF CONTENTS

	<u>PAGE</u>
AUDITOR'S REPORT.....	1

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
AUDITOR'S REPORT

DATE: August 13, 2018

TO: **ROBERT P. DAVID**, Director
Office of Statewide Health Planning and Development

This report presents the results of our compliance audit of the business management functions and services of the Office of Statewide Health Planning and Development (OSHPD). These audits are routinely performed under the authority granted to the Department of General Services (DGS) by Government Code Sections 14615 and 14619 and Public Contract Code Section 10333. The objective of our audit was to determine compliance with policies set forth in the State Administrative Manual, and the terms and conditions of any specific delegations of authority or exemptions from approval granted by DGS.

As applicable, the scope of our audits of state agencies includes, but is not limited to, compliance with policies governing contracts, delegated purchasing authority, fleet administration, small business (SB) and disabled veteran business enterprises (DVBE) usage, driver safety and insurance, surplus property and real estate. Our audit was conducted in accordance with U.S. generally accepted auditing standards.

To determine compliance, we reviewed policies and procedures, interviewed parties involved, tested records and transactions and performed other tests as deemed necessary. The period covered by our testing varied depending upon the area of review and the type of transactions involved; however, the emphasis of our review and testing was with current procedures and transactions completed during the 2017/18 fiscal year.

Based on the results of our fieldwork conducted over the period April 10, 2018 through June 21, 2018 we concluded that OSHPD is conducting its business management functions and services in compliance with state requirements.

We are pleased with how receptive and responsive OSHPD staff and management were to our suggestions for improvement and with the prompt actions taken to address issues identified and discussed during our audit fieldwork. However, we did not perform subsequent effectiveness tests to determine whether the corrective actions were functioning as intended. OSHPD's management has the ongoing responsibility for ensuring that its business management policies and procedures are functioning as prescribed and are modified, as appropriate, for changes in conditions.

We greatly appreciated the cooperation and assistance provided by OSHPD's personnel.

ROBERT P. DAVID, Director

August 13, 2018

If you need further information or assistance on this report, please contact me at (916) 376-5064, or Susan Mitchel, at (916) 376-1909.

Dennis M Miras

DENNIS M MIRAS, CIA
Manager, Office of Audit Services

Staff: Susan Mitchel, Management Auditor

cc: Fran Mueller, Chief Deputy Director
Monica Flowers, Deputy Director, Administrative Services Division
Purchasing Authority Management Section (PAMS), Procurement Division, DGS