

**Date:** February 25, 2013

File No.: 1121

**To:** Robert P. David, Director  
Office of Statewide Health Planning and Development  
400 R Street, Suite 310  
Sacramento, CA 95811-6213

**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 (OSHPD). 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.

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

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

If you have any questions, please call me at (916) 376-5058, or Dennis Miras, Audit Supervisor, at (916) 376-5064.



RICK GILLAM, CPA, CIA  
Chief, Office of Audit Services

Attachment

cc: Stephanie Clendenin, Chief Deputy Director  
Karen Miskanis, Deputy Director, Administrative Services Division  
Patty Nelson, Manager, Procurement and Contract Services

**STATE AND CONSUMER SERVICES AGENCY  
DEPARTMENT OF GENERAL SERVICES**

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

**FOR COMPLIANCE WITH STATE  
BUSINESS MANAGEMENT POLICIES  
REPORT NO. 1121**

**OFFICE OF AUDIT SERVICES**

**SEPTEMBER 2011**

**OFFICE OF STATEWIDE HEALTH PLANNING  
AND DEVELOPMENT  
COMPLIANCE AUDIT  
REPORT NO. 1121**

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**STATE OF CALIFORNIA**  
**DEPARTMENT OF GENERAL SERVICES**  
**AUDITOR'S REPORT**

DATE: February 25, 2013

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. 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 DGS.

As applicable, the scope of our audits of state agencies includes, but is not limited to, compliance with policies governing contracting, fleet administration, small business and disabled veteran business usage, driver safety and insurance, records and forms management, surplus property and real estate. Our audit was conducted in accordance with U.S. generally accepted auditing standards.

Overall, we concluded that OSHPD is conducting its business management functions and services in compliance with state requirements. However, we did identify a number of areas for improvement with those functions and services. These matters included our concern that business management policies and procedures were not ensuring the: (1) attendance of a defensive driver training course by frequent drivers; (2) completion and annual update of a vehicle certification form by employees who use their own vehicle to conduct state business; and, (3) maintenance of up-to-date records retention schedules.

Prior to the completion of our audit, we verified that appropriate actions had been or were being taken to address the above issues. Therefore, they are not further discussed in this report. We were pleased with the prompt actions taken by OSHPD to address findings identified during our audit fieldwork.

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 2010/11 fiscal year.

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

If you need further information or assistance on this report, please contact me at (916) 376-5058, or Dennis Miras, Audit Supervisor, at (916) 376-5064.



RICK GILLAM, CPA, CIA  
Chief, Office of Audit Services

Staff: Dennis Miras, Audit Supervisor  
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cc: Stephanie Clendenin, Chief Deputy Director  
Karen Miskanis, Deputy Director, Administrative Services Division  
Patty Nelson, Manager, Procurement and Contract Services