



MEMORANDUM

Date: August 3, 2017

File No.: 7124

To: J. A. Farrow, Commissioner
California Highway Patrol
601 North Seventh Street
Sacramento, CA 95811

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 California Highway Patrol (CHP). 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 CHP is conducting its business management functions and services in compliance with state requirements.

We sincerely appreciated the cooperation and assistance provided by CHP's personnel.

If you need further information or assistance on this report, please call / e-mail me at (916) 376-5064 / Dennis.Miras@dgs.ca.gov, or Susan Mitchel, Management Auditor, at (916) 376-1909 / Susan.Mitchel@dgs.ca.gov.

Dennis M Miras

DENNIS M MIRAS, CIA
Manager, Office of Audit Services

Attachment

cc: Office of Inspector General
Office of Risk Management
Office of Assistant Commissioner, Staff
Administrative Services Division
Personnel and Training Division
Fiscal Management Section
Fleet Operations Section
Business Services Section
Selection Standards and Examinations Section

**GOVERNMENT OPERATIONS AGENCY
DEPARTMENT OF GENERAL SERVICES**

**AUDIT OF THE
CALIFORNIA HIGHWAY PATROL**

**FOR COMPLIANCE WITH STATE
BUSINESS MANAGEMENT POLICIES
REPORT NO. 7124**

OFFICE OF AUDIT SERVICES

JULY 2017

**CALIFORNIA HIGHWAY PATROL
COMPLIANCE AUDIT
REPORT NO. 7124**

TABLE OF CONTENTS

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

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
AUDITOR'S REPORT

DATE: August 3, 2017

TO: **J. A. FARROW**, Commissioner
California Highway Patrol

This report presents the results of our compliance audit of the business management functions and services of the California Highway Patrol (CHP). 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 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 (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 2016/17 fiscal year.

Based on the results of our fieldwork conducted over the period March 8, 2017 through July 27, 2017, we concluded that CHP is conducting its business management functions and services in compliance with state requirements.

We are pleased with the prompt actions taken by CHP to address all issues identified during our audit fieldwork. However, we did not perform effectiveness tests to determine whether the corrective actions were functioning as intended. The CHP'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 CHP's personnel.

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

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