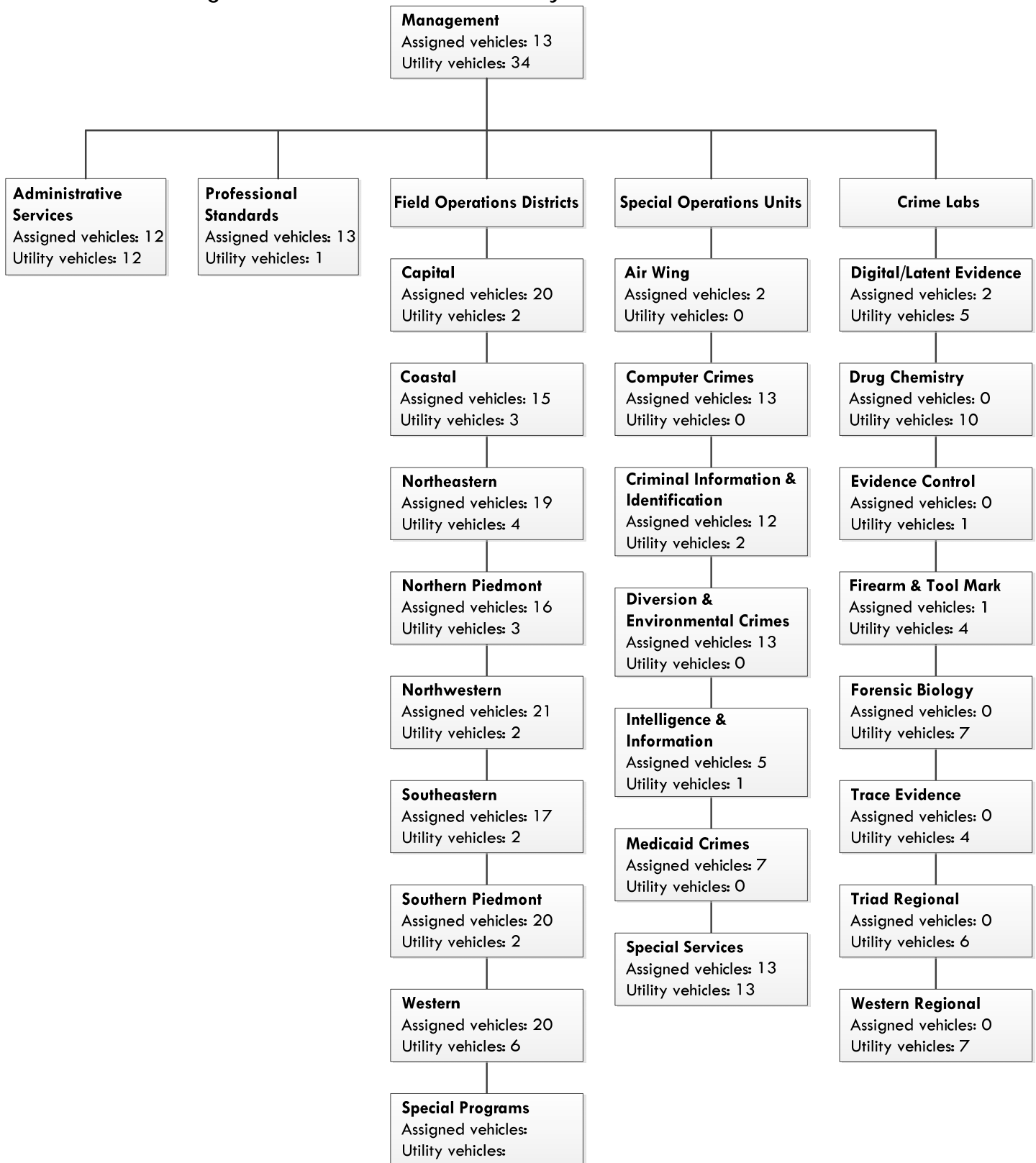


Exhibit 2: SBI Management Structure and Vehicles by Division



Source: Program Evaluation Division based on information from SBI.

Exhibit 5: SBI Has Most Internal Controls in Place, but Monitoring, Policies and Procedures, and Data Integrity Assurance Need Improvement

Internal Control	Purpose	Implemented at SBI?	SBI Procedures
Annual inventory	Track assets from arrival to retirement	●	Follow OSC requirements for assets over \$2,500
Documentation review	Ensure written policies and procedures are followed	●	Examples include staff inspections and assigned vehicle compliance forms
Internal control self-assessment	Evaluate the agency's internal control system	●	Follow OSC requirements, complete annual checklist
Safeguarding assets	Verify existence of assets and prevent loss and theft	●	Written and implemented policies and procedures; part of OSC self-assessment
Surplus approval	Ensure proper processing of surplus vehicles	●	Follow state surplus procedures
Written policies and procedures	Provide policies for vehicle use and management	◐	Some but not all vehicle management areas are covered in SBI Policies and Procedures
Monitoring	Prove operational effectiveness of controls	◐	Staff inspections and division management structure, but weaknesses were identified
Data integrity assurance	Verify accuracy of data entered into the electronic tracking information system	○	None evident
● = Full implementation			◐ = Partial implementation
			○ = Does not exist

Notes: OSC stands for the Office of the State Controller. To independently test whether existing controls were implemented in accordance with SBI policies, the Program Evaluation Division inspected vehicles and documentation for a random sample of 60 vehicles. All compliance agreements were on file as required, and vehicle use logs had been completed and entered into SBI's electronic Vehicle Tracking System.

Source: Program Evaluation Division based on SBI documents.