

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 2.7
(ID # 18859)

MEETING DATE:
Tuesday, April 26, 2022

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR-CONTROLLER: Internal Audit Report 2022-313: Riverside County Probation Department Follow-up Audit, [District: All]; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2022-313: Riverside County Probation Department Follow-up Audit

ACTION: Consent

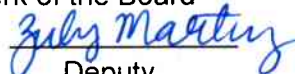

Tanya Harris, Assistant Auditor Controller 4/12/2022

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel seconded by Supervisor Jeffries and duly carried, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Spiegel, Perez, and Hewitt
Nays: None
Absent: Washington
Date: April 26, 2022
xc: Auditor

Kecia R. Harper
Clerk of the Board

By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost |
|-----------------------------|-----------------------------|--------------------------|---------------------------|---------------------|
| COST | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| NET COUNTY COST | \$ 0.00 | \$ 0.00 | \$ 0.00 | \$ 0.00 |
| SOURCE OF FUNDS: N/A | | | Budget Adjustment: | No |
| | | | For Fiscal Year: | n/a |

C.E.O. RECOMMENDATION: Approve.

BACKGROUND:

Summary

We completed a follow-up audit of the Probation Department. Our audit was limited to reviewing actions taken as of March 16, 2022, to correct findings noted in our original audit report 2020-003 dated March 12, 2020. The original audit report contained three recommendations, all of which required implementation to help correct the reported findings.

Please see report for audit results.

Impact on Residents and Businesses

Provide an assessment of internal controls over the audited areas.

SUPPLEMENTAL:

Additional Fiscal Information

Not applicable

ATTACHMENTS:

A: Riverside County Auditor-Controller - Internal Audit Report 2022-313: Riverside County Probation Department Follow-up Audit.

Internal Audit Report 2022-313

**Riverside County Probation Department
Follow-up Audit**

Report Date: April 26, 2022



**Office of Paul Angulo, CPA, MA
Riverside County Auditor-Controller**

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ACO | AUDITOR
CONTROLLER
COUNTY OF RIVERSIDE

Paul Angulo, CPA, MA
Riverside County Auditor-Controller

Tanya S. Harris, DPA, CPA
Assistant Auditor-Controller

April 26, 2022

Ronald L. Miller
Chief Probation Officer
Probation Department
3960 Orange St., Ste. 600
Riverside, CA 92501

**Subject: Internal Audit Report 2022-313: Riverside County Probation Department
Follow-up Audit**

Dear Mr. Miller:

We completed the follow-up audit of Riverside County Probation Department. Our audit was limited to reviewing actions taken as of March 16, 2022, to help correct the findings noted in our original audit report 2020-003 dated March 12, 2020.

We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing. These standards require that we plan and perform the audit to obtain reasonable assurance that our objective, as described in the preceding paragraph, is achieved. Additionally, the standards require that we conduct the audit to provide sufficient, reliable, and relevant evidence to achieve the audit objectives. We believe the audit provides a reasonable basis for our conclusion.

The original audit report contained three recommendations, all of which required implementation to help correct the reported findings. Based on the results of our audit, we found that of the three recommendations, all three were implemented.

Summary of the conditions from the original audit and the results of our review on the status of the implementation of the recommendations are provided in this report. For an

Internal Audit Report 2022-313: Riverside County Probation Department, Follow-up Audit

in-depth understanding of the original audit, please refer to Internal Audit Report 2020-003 at [www.auditorcontroller.org/ Divisions/ Audits and Specialized Accounting/ Internal Audit Reports](http://www.auditorcontroller.org/Divisions/Audits%20and%20Specialized%20Accounting/Internal%20Audit%20Reports).

Paul Angulo, CPA, MA
Riverside County Auditor-Controller



By: René Casillas, CPA, CRMA
Chief Internal Auditor

cc: Board of Supervisors
Jeff A. Van Wagenen, County Executive Officer
Grand Jury

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Application Controls

Finding 1: Untimely Termination of User Access Rights

Fifteen out of a sample of 15 (100%) of user accounts in Juvenile and Audit Management System (JAMS) were not terminated on the employees day of termination or transfer from the department. County of Riverside Information Security Standard v1 .0, Section 4.1, *Account and Access Management*, states "Accounts for terminated or transferred employees shall be disabled or removed on the day of termination or transfer." Probation does not have a formal process in place to immediately terminate user access rights. Furthermore, JAMS does not have the ability to track the date in which access rights were terminated. Not terminating user access rights timely increases the risk of unauthorized access to sensitive information.

Recommendation 1.1

Establish policies and procedures for the immediate termination of user access rights for terminated or transferred employees.

Current Status 1.1: Implemented

Recommendation 1.2

Establish a process to document the date in which user access rights are terminated within JAMS.

Current Status 1.2: Implemented

Delivery of Services

Finding 2: Lack of Contractor Monitoring

Probation is not adequately monitoring contractors to ensure department is correctly billed for services provided. We identified the following in our review of invoices and supporting documentation:

- Eight of the 17 (47%) Pacific Toxicology Laboratories invoices contained erroneous charges for drug testing services. The pricing discrepancy was due to drug test misscoding by Pacific Toxicology Laboratories which resulted in Probation being overbilled in the amount of \$1,686 in the 17 invoices reviewed.
- Probation's contract with Communities 4 Children lacks detail as to how the contractor will be compensated for services provided. Based on our review of invoices and supporting documentation from Communities 4 Children, contractor is billing an hourly rate of \$250 which is not specified in the contract.
- Based on our review of invoices for youth outreach counseling services, we identified the following that is in conflict with the contracts:
 - Youth outreach counselors exceeded the 80 monthly hour work limit per site. Per contracts, youth outreach counselors should not exceed 80 hours of work per month per youth accountability team site in order to stay under the contracted amount.
 - Youth outreach counselors worked at three different sites in one month, exceeding the two site limit restriction specified in the contracts.
 - Invoice supporting documentation contained juvenile client's full names. The contracts timesheet templates indicate youth outreach counselors are only required to input the first and last initial of clients seen. Contractor failed to protect the identities of juvenile clients by disclosing privileged confidential information in invoice supporting documentation.
 - Youth outreach counselors reported non worked holiday hours which were paid out by Probation. Per the contracts for youth counseling services, "contractor (including its employees, agents, and subcontractors) shall in no event be entitled to ... injury leave or other leave benefits."

Internal Audit Report 2022-313: Riverside County Probation Department, Follow-up Audit

- Probation Officer signed off on a youth outreach counselors timesheet who reported hours not actually worked and invoice was paid by Probation.
- Youth outreach counselor submitted only one timesheet for work performed at two different sites. Per the contracts with youth outreach counseling services, counselors are required to utilize one monthly timesheet per site worked.
- Invoices were paid by Probation without supporting documentation for invoiced amount. The contracts require youth outreach counselors to report to Probation the hours worked, locations worked, and details of activities performed each work day.
- Youth outreach counselors did not provide sufficient information to detail all work completed throughout the month at sites worked. The contracts require youth outreach counselors to describe activities performed on each work day.

Standard Practice Manual 1001 , *Internal Controls*, states, "County departments and agencies shall establish, document and maintain an effective system of internal controls for promoting effectiveness and efficiency in operations." Probation management stated issues with invoices and supporting documentation were not identified due to department oversight. Not adequately monitoring contractor and reviewing the supporting documentation for invoices increases the risk of theft, loss, contract non-compliance and paying for services not rendered.

Recommendation 2

Develop policies and procedures to ensure invoice for all contracts are adequately reviewed.

Current Status 2: Implemented