

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



ITEM: 2.6
(ID # 18967)

MEETING DATE:
Tuesday, May 24, 2022

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR-CONTROLLER: Internal Audit Report 2022-015: Riverside County Office of the District Attorney Audit [District: All]; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2022-015: Riverside County Office of the District Attorney Audit

ACTION:Consent

Tanya Harris
Tanya Harris, Assistant Auditor Controller

5/9/2022

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: May 24, 2022
xc: Auditor

Kecia R. Harper
Clerk of the Board
By: *Judy Martinez*
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	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
NET COUNTY COST	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	N/A

C.E.O. RECOMMENDATION: Approve.

BACKGROUND:

Summary

In accordance with Board of Supervisors Resolution 83-338, we audited the Office of the District Attorney to provide management and the Board of Supervisors with an independent assessment of internal controls over case dismissal processes, purchasing processes, and software application controls.

Our conclusion and details of our audit are documented in the body of this audit report.

Please refer to the audit report for the result of the audit.

Impact on Citizens and Businesses

Provide an assessment of internal controls over the audited areas.

SUPPLEMENTAL:

Additional Fiscal Information

Not applicable

ATTACHMENTS:

A: Riverside County Auditor-Controller's Office - Internal Audit Report 2022-015: Riverside County Office of the District Attorney Audit

Internal Audit Report 2022-015

**Riverside County
Office of the District Attorney
Audit**

Report Date: May 17, 2022



**Office of Paul Angulo, CPA, MA
Riverside County Auditor-Controller
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CONTROLLER
COUNTY OF RIVERSIDE

Paul Angulo, CPA, MA
Riverside County Auditor-Controller

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

May 17, 2022

Michael Hestrin
District Attorney
Riverside County Office of the District Attorney
3960 Orange Street
Riverside, CA 92501

Subject: **Internal Audit Report 2022-015: Riverside County Office of the District Attorney Audit**

Dear Mr. Hestrin:

In accordance with Board of Supervisors Resolution 83-338, we audited the Office of the District Attorney to provide management and the Board of Supervisors with an independent assessment of internal controls over case dismissal processes, purchasing processes, and software application controls.

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 sufficient, reliable, relevant and useful information to provide reasonable assurance that our objective as described above is achieved. An internal audit includes the systematic analysis of information to evaluate and improve the effectiveness of internal controls. We believe this audit provides a reasonable basis for our conclusion.

Internal controls are processes designed to provide management reasonable assurance of achieving efficiency of operations, compliance with laws and regulations, and reliability of financial and non-financial information. Management is responsible for establishing and maintaining adequate internal controls. Our responsibility is to evaluate the internal controls.

Our conclusion and details of our audit are documented in the body of this audit report.

Internal Audit Report 2022-015 Riverside County Office of the District Attorney Audit

As requested, in accordance with paragraph III.C of the Board of Supervisors Resolution 83-338, management responded to each reported condition and recommendation contained in our report. Management's responses are included in the report. We will follow-up to verify that management implemented the corrective actions.

Paul Angulo, CPA, MA
Riverside County Auditor-Controller



By: René Casillas, CPA, CRMA
Chief Internal Auditor

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

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Executive Summary

Overview

The Riverside County Office of the District Attorney (District Attorney) is committed to acting on behalf of the people by enforcing the law, protecting the innocent, convicting the guilty and safeguarding the rights of victims and witnesses through ethical prosecution. The department operates in six locations throughout Riverside County to include the eastern, southwest, and western regions, with one office dedicated to juvenile matters.

District Attorney has a recommended budget of \$158.5 million for FY 2021-22 and 793 authorized positions. *County of Riverside, Fiscal Year 2021-22 Adopted Budget Volume 1, 239*

Audit Objective

Our objective is to provide management and the Board of Supervisors with an independent assessment about the adequacy and effectiveness of internal controls over case dismissal processes, purchasing processes, and software application controls. Internal controls are processes designed to provide management reasonable assurance of achieving efficiency of operations, compliance with laws and regulations, and reliability of financial and non-financial information. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

Audit Scope and Methodology

We conducted the audit from October 6, 2021, through March 23, 2022, for operations from July 1, 2019, through February 8, 2022. Following a risk-based approach, our scope initially included the following:

- Case Dismissal Processes
- Non-Capital Assets
- Purchasing Processes
- Software Application Controls

Through inquiry, observations, and limited examination of relevant documentation, it was determined through a risk assessment of the business processes for non-capital assets, that the risk exposure to the District Attorney associated with these processes are well mitigated with internal controls and are functioning as designed. Therefore, we focused our audit scope to internal controls over case dismissal processes, purchasing processes, and software application controls.

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Audit Highlights

Summary of Existing Conditions

- Office of the District Attorney active directory accounts were not disabled in a timely manner for employees no longer with the department. Disabling system user accounts is an internal control designed to help unauthorized access to sensitive information maintained in critical systems.

Summary of Improvement Opportunities

- Establish policies and procedures for the immediate disabling of user access rights for terminated or transferred employee in accordance with County of Riverside Information Security Standard v1.0, Section 4.1, *Account and Access Management*
- Ensure compliance with County of Riverside Information Security Standard v1.0, Section 4.1, *Account and Access Management*, by disabling Active Directory accounts on the day of an employee's termination or transfer from the department.

Audit Conclusion

We are not able to provide results on one of the three areas included in our final audit scope. The Office of the District Attorney denied us the ability to evaluate the internal controls over case dismissals against their own internal procedures with their refusal to provide us any information.

We were able to identify opportunities for improvement of internal controls relating to software application controls. However, we determined Office of the District Attorney's internal controls over their purchasing processes provide reasonable assurance that its objectives relating to these areas will be achieved. Reasonable assurance recognizes internal controls have inherent limitations, including cost, mistakes, and intentional efforts to bypass internal controls.

Internal Audit Report 2022-015 Riverside County Office of the District Attorney Audit

Purchasing Processes

Background

The Riverside County Purchasing and Fleet Services Department is responsible for implementing policies and procedures set forth in the Purchasing Policy Manual (December 31, 2021). The Director of Purchasing is the Purchasing Agent for Riverside County. Purchasing authority is granted to Riverside County staff, varying in levels of position and amount. See Table A for a summary of delegation of purchasing authority.

Table A: Delegation of Purchasing Authority

Position	Purchase Order Authority	PO's Against PeopleSoft Contracts
Low Value Purchase Authority (LVPA)	\$5,000 per day per vendor	\$25,000 per day per vendor
Buyer I	\$25,000 per day per vendor	\$100,000 per day per vendor
Buyer II	\$50,000 per day per vendor	\$100,000 per day per vendor

Expenditures of \$5,000 or greater, require departments to seek at least three written quotes from potential vendors to ensure the best use of taxpayer dollars. The Purchasing Manual describes split purchase orders as follows, "Deliberate attempts to split orders, where the purpose is keeping total cost of each order down below bid limits, and failure to combine orders when practical for the best interest of the County in order to circumvent the limitations, is prohibited and may result in disciplinary actions reduced or suspended purchasing authority."

Objective

To verify the adequacy and existence of internal controls over purchasing processes.

Audit Methodology

To accomplish these objectives, we

- Obtained an understanding of board policies and applicable standards.
- Obtained a listing of all expenditures for the District Attorney.

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- Obtained a listing of all Office of District Attorney staff with delegated purchasing authority.
- Analyzed department expenditure data for the audit period to determine whether applicable discounts were captured.
- Analyzed department expenditure data for the audit period to determine whether there were instances of split purchase orders at the \$5,000 and \$25,000 limitations.

Finding: None Noted

Based upon the results of our audit, we determined internal controls over purchasing processes provide reasonable assurance that its objective related to this area will be achieved.

Software Application Controls

Background

Software application controls within information systems ensure proper confidentiality, integrity, and availability to the data stored within the system. Authentication is a control which confirms a user's identity to provide access to a systems sensitive information. Sensitive information is any information that must be protected from unauthorized access to maintain the information security of an organization or an individual. Authentication is often achieved by using login credentials such as a username and password. Authentication relies on the presumption that the user is authorized to use the system and that only the user knows the login credentials to gain access.

Active Directory is a directory service which allows District Attorney to manage permissions and access to network resources, and linked data applications utilized by the department. When a user ends employment with District Attorney, District Attorney IT is notified through the creation of help desk tickets to disable Active Directory to remove permissions and network access. These help desk tickets contain various workflow tasks such as disabling e-mail accounts, active directory, data/application systems access, badge access, reclaiming software licenses, and reclaiming any equipment that may have been issued to an employee. A help desk ticket is not closed until all tasks within have been completed by District Attorney IT personnel.

Objective

To verify the existence and adequacy of internal controls over department employee termination of access for data applications used by District Attorney.

Audit Methodology

To accomplish these objectives, we:

- Obtained an understanding of County of Riverside Information Security Standard v1.0.
- Obtained an understanding of county information security standards.
- Conducted interviews and performed walk-throughs with department personnel.

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- Performed testing on 145 employees terminated within the review period of the audit.
- Confirmed whether terminated employees had access to active directory and District Attorney data applications.
- Verified whether active directory accounts and District Attorney data application accounts were disabled within 24 hours.

Finding 1: Timely Termination of Access Rights to Data Applications

Eighty-three (57%) out of one-hundred forty-five terminated employees reviewed, active directory accounts were not disabled within 24 hours of an employee ending employment with Office of the District Attorney. The average time lapsed to disable active directory accounts was 19 days with the longest time lapsed being 484 days and the shortest being 2 days. 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." Requests to disable active directory are not created timely after employees end employment and requests are not processed timely by District Attorney IT when received. Additionally, District Attorney does not have written policies and procedures that detail the process and requirements for deactivating user accounts when employees end employment with the department. When an account is not closed immediately after employment has ended, there is a security risk to the information maintained in the systems used by the department. Given the sensitivity of the information the Office of the District Attorney maintains in their systems, safeguarding sensitive information should be of high priority.

Recommendation 1.1

Ensure compliance with County of Riverside Information Security Standard v1.0, Section 4.1, *Account and Access Management*, by disabling Active Directory accounts on the day of an employee's termination or transfer from the department.

Management's Response

"**Concur.** The District Attorney's Office (DAO) is actively finalizing an internal policy which will ensure that all Active Directory accounts are disabled upon the termination or transfer of full or part time employees, volunteers, interns, and contract vendors from the department. This policy is in compliance with the County of Riverside Information Security Standard v.1.0."

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Actual/estimated Date of Corrective Action: May 31, 2022

Recommendation 1.2

Establish policies and procedures for the immediate disabling of user access rights for terminated or transferred employee in accordance with County of Riverside Information Security Standard v1.0, Section 4.1, *Account and Access Management*

Management's Response

"Concur. The DAO is actively finalizing policies and procedures to immediately disable user accounts upon termination or transfer of employees as indicated in the prior response."

Actual/estimated Date of Corrective Action: May 31, 2022