

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



ITEM: 2.10
(ID # 22461)

MEETING DATE:
Tuesday, July 11, 2023

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR-CONTROLLER: Internal Audit Report 2023-018 Riverside County Transportation and Land Management Agency Audit, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Internal Audit Report 2023-018: Riverside County Transportation and Land Management Agency Audit

ACTION:Consent

Ben J. Benoit

Ben J. Benoit, COUNTY AUDITOR-CONTROLLER 6/30/2023

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 and Perez
Nays: None
Absent: Washington, Gutierrez
Date: July 11, 2023
xc: Auditor-Controller

Kimberly A. Rector
Clerk of the Board

By: *Kimberly A. Rector*
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 Riverside County Transportation and Land Management Agency. This audit is conducted to provide management and the Board of Supervisors with an independent assessment of internal controls over information management (system access controls).

Based upon the results of our audit, we identified opportunities for improvement of internal controls relating to information management (system access controls).

We will follow-up in one year to determine if actions were taken to correct the findings noted.

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 2023-018: Riverside County Transportation and Land Management Agency Audit

Internal Audit Report 2023-018

**Riverside County
Transportation and Land Management Agency
Audit**

Report Date: July 11, 2023



**Ben J. Benoit
Riverside County Auditor-Controller
4080 Lemon Street, 11th Floor
Riverside, CA 92509
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www.auditorcontroller.org



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ACC | AUDITOR
CONTROLLER
COUNTY OF RIVERSIDE

Ben J. Benoit
Riverside County Auditor-Controller

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

July 11, 2023

Charissa Leach
Assistant County Executive Officer
Riverside County Transportation and Land Management Agency
4080 Lemon Street, 9th Floor
Riverside, CA 92501

Subject: Internal Audit Report 2023-018: Riverside County Transportation and Land Management Agency Audit

Dear Ms. Leach:

In accordance with Board of Supervisors Resolution 83-338, we audited Riverside County Transportation and Land Management Agency to provide management and the Board of Supervisors with an independent assessment of internal controls over information management (system access 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.

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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.

We thank you and your staff for your help and cooperation. The assistance provided contributed significantly to the successful completion of this audit.



Ben J. Benoit
Riverside County Auditor-Controller



By: René Casillas, CPA, CRMA
Deputy Auditor-Controller

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

**Internal Audit Report 2023-018: Riverside County Transportation and Land
Management Agency Audit**

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Executive Summary

Overview

Riverside County Transportation and Land Management Agency administration (Agency) provides executive management, purchasing facilities support services, human resources, fee administration, recordkeeping, information management, and fiscal business services to support the Transportation and Land Management Agency departments. Additionally, the Agency offers counter services, which provide in-person services with representatives from Transportation and Land Management Agency departments, such as Building and Safety, Planning, and Transportation.

The Agency has a recommended budget of \$31.3 million for FY 2023-24 and 157 recommended positions. *County of Riverside, Fiscal Year 2023-24 Recommended Budget Volume 1, 333.*

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 information management (system access 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 March 27, 2023, through May 19, 2023, for operations from July 1, 2021, through May 4, 2023. Following a risk-based approach, our scope initially included the following:

- Business Continuity Plan
- Information Management (System Access Controls)
- Succession Planning

Through inquiry, observations, and limited examination of relevant documentation, it was determined through a risk assessment of the business continuity plan and

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succession planning, that the risk exposure to the Agency associated with these processes are well mitigated with internal controls and are functioning as designed.

After discussion with Agency management, we determined the preliminary risk areas identified with information management were not applicable to the Agency's business processes. Therefore, our audit scope focused on internal controls over system access controls, which we classified as an element of information management.

Audit Highlights

Summary of Existing Conditions

- Employees did not have their Active Directory account termination requests created and approved timely (within 24 hours) upon separation from the Agency. This exposes the department to risk where information maintained in the departments can be continuously accessed by individuals who no longer have a right or need to know.

Summary of Improvement Opportunities

- Ensure compliance with County of Riverside Information Security Standard v1.0, Section 4.1, *Account and Access Management*, by creating and approving requests to disable Active Directory accounts within 24 hours of an employee's separation from the department.
- Ensure personnel are properly trained on County of Riverside Information Security Standard v1.0, Section 4.1, *Account and Access Management*.

Audit Conclusion

Based upon the results of our audit, we identified opportunities for improvement of internal controls relating to information management (system access controls).

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Information Management (System Access Controls)

Background

Information management is the practice of managing information as a valuable organizational asset, with the goal of maximizing its usefulness and minimizing risks associated with data loss, privacy breaches, and other information technology threats. Effective information management involves developing strategies for capturing, analyzing, and using information to support business objectives.

System access 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 Riverside County Information Technology (Information Technology) and the Agency to manage permissions and access to network resources, and linked data applications utilized by the department. When a user ends employment with the Agency, it is the department's responsibility to create and approve a help desk ticket to request the removal of the terminated employee's access rights to their Active Directory account. Once the ticket is approved by department personnel, Information Technology is notified 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 Information Technology personnel.

Objective

To verify the existence and adequacy of internal controls over disabling Active Directory accounts upon employee separation from the department.

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Audit Methodology

To accomplish these objectives, we:

- Obtained an understanding of County of Riverside Information Security Standard v1.0.
- Interviewed key personnel regarding the department's employee access termination processes.
- Obtained a report from Information Technology that details Agency ticket creation and approval dates for disabling employee Active Directory accounts.
- Verified whether requests to disable Active Directory accounts were created and approved by Agency personnel within 24 hours of an employee's separation from the department.

Finding 1: Timely Termination of Active Directory Accounts

Twelve out of 24 former employees (50%) did not have their Active Directory account termination requests created and approved in a timely manner (within 24 hours). The average time elapsed between employee separation and ticket approval was 88 days, with the longest taking 426 days for approval and the shortest taking 4 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." Agency employees did not have their Active Directory account termination requests created and approved timely upon separation from the department. Allowing user accounts to remain open after employment has ended exposes the department to risk where information maintained in the department can be continuously accessed by individuals who no longer have a right or need to know. Depending on the sensitivity of the information maintained by department systems, it can create administrative issues and have a financial impact if held liable.

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Recommendation 1.1

Ensure compliance with County of Riverside Information Security Standard v1.0, Section 4.1, *Account and Access Management*, by creating and approving requests to disable Active Directory accounts within 24 hours of an employee's separation from the department.

Management's Response

"**Concur.** The average time elapsed is skewed due to a one-time circumstance and four instances due to long holiday weekends. We had kept the account open for Agency Director's Executive Assistant for 6 months. Then there was an issue syncing her contacts over to new EA, that delayed further efforts to submit access termination."

Actual/Estimated Date of Corrective Action: Ongoing

Recommendation 1.2

Ensure personnel are properly trained on County of Riverside Information Security Standard v1.0, Section 4.1, *Account and Access Management*.

Management's Response

"**Concur.** TLMA has improved departure processes to better capture account terminations upon separation for each department. This ensures ALL access is terminated. Upon establishment of the process, additional gaps were identified and corrected with ALL departments to further streamline our departure process and establish follow-up and reconciliation points as a form of checks and balances to ensure compliance.

Monthly and quarterly reconciliation report reviews ensure compliance and verify accounts are being disabled in a timely manner."

Actual/Estimated Date of Corrective Action: Ongoing