

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

507



FROM: County Auditor-Controller

SUBMITTAL DATE:
June 18, 2012

SUBJECT: Internal Audit Report 2011-307: Riverside County Probation Department Follow-up Audit

RECOMMENDED MOTION: Receive and file Internal Audit Report 2011-307: Riverside County Probation Department Follow-up Audit

BACKGROUND: We have completed a first follow-up audit of Riverside County Probation Department. Our audit was limited to reviewing actions taken as of March 31, 2012, to correct the findings noted in our original audit report (2010-014) dated June 22, 2010. The original audit report contained three findings, all of which required corrective action and; therefore, were reviewed as part of this audit. For an in-depth understanding of the original audit, please refer to Internal Audit Report 2010-014 at www.auditorcontroller.org.

(Continued on page 2)

Paul Angulo

Paul Angulo, CPA, MA-Mgmt.
County Auditor-Controller

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

SOURCE OF FUNDS: N/A

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Lani Sioson*
Lani Sioson

County Executive Office Signature

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD
 Consent
 Policy
 Dept. Request
 Per Exec. Ofc.:

Prev. Agn. Ref.:

District:

Agenda Number:

2.8

BACKROUNG continued:

The follow-up audit found of the three findings which required corrective action one finding was fully corrected, one finding was partially corrected and one finding was not corrected. We will conduct a desk review on the two findings which were not corrected and partially corrected within one year.



County of Riverside

INTERNAL AUDIT REPORT

2011-307

Riverside County Probation Department Follow-up Audit

June 18, 2012

Office of
Paul Angulo, CPA, MA-Mgmt.
County Auditor-Controller

4080 Lemon Street
P.O. Box 1326
Riverside, CA 92502-1326



COUNTY OF RIVERSIDE
OFFICE OF THE
AUDITOR-CONTROLLER

County Administrative Center
4080 Lemon Street, 11th Floor
P.O. Box 1326
Riverside, CA 92502-1326
(951) 955-3800
Fax (951) 955-3802



Paul Angulo, CPA, MA-Mgmt.
AUDITOR-CONTROLLER

June 18, 2012

Mr. Alan M. Crogan
Chief Probation Officer
Riverside County Probation Department
3960 Orange Street, Suite 600
Riverside, CA 92501

Subject: Internal Audit Report 2011-307: Riverside County Probation Department Follow-up Audit

Dear Mr. Crogan:

We have completed a follow-up audit of the Riverside County Probation Department. Our audit was limited to reviewing actions taken as of March 31, 2012, to correct the findings noted in our original audit report (2010-014) dated June 22, 2010.

We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing. These standards require we plan and perform the audit to obtain reasonable assurance our objective, as described in the preceding paragraph, is achieved. Additionally, the standards require 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 opinion.

The original audit report contained three findings, all of which required corrective action and; therefore, were reviewed as part of this audit. For an in-depth understanding of the original audit, please refer to Internal Audit Report 2010-014 at www.auditorcontroller.org.

This follow-up audit found of the three findings:

- One finding was corrected
- One finding was partially corrected
- One finding was not corrected

Detailed statuses of the findings identified in the original audit are provided in the body of this report. We will conduct a desk review on the two findings which were not corrected and partially corrected within one year.

We appreciate the cooperation and assistance extended to us by staff of the Probation Department during this follow-up audit. Their assistance contributed significantly to the successful completion of the audit.

Paul Angulo, CPA, MA-Mgmt.
Auditor-Controller

A handwritten signature in black ink that reads "Rachelle Román". The signature is written in a cursive style with a prominent flourish at the end of the name.

By: Rachelle Román, MPA
Chief Internal Auditor

cc: Board of Supervisors
Executive Office
Grand Jury

Information Security

Finding 1: Probation Department's administration personnel did not disable the access of terminated employees from the system in a timely manner. The department took an average of 52 days to delete/remove PeopleSoft financials and HRMS systems access for 15 employees whose employment with the department terminated between July 2008 and March 2009. While PeopleSoft financials and HRMS systems access is limited to county networks, there is a potential for misuse of an account or information if unnecessary accounts are active.

Recommendation 1

Develop and implement a process that ensures only authorized personnel retain access to information systems and employees' access is disabled or deleted in a timely manner.

Current Status: Partially Corrected

The Probation Department has implemented procedures to disable the access of separated employees from the PeopleSoft financials and HRMS systems. However, separated employees are still not removed or deleted in a timely manner. For three of the eight separated employees tested, the department took 26 days to disable or delete the employee's access.

We will conduct a desk review on this partially corrected item within one year.

Finding 2: Password requirements are not in compliance with Board Policy A-58 (Enterprise Information Security Policy). Specifically, the department allows passwords to be repeated and there is no requirement to change them periodically. According to Probation Department's information technology staff, no timeout is required; however, (JAMS) Juvenile and Adult Management System is designed to support periodic password expiration. A lack of measures to ensure passwords are strong and well-guarded perpetuates an unnecessary vulnerability to secure information and violates Board Policy A-58.

Recommendation 2

Ensure passwords are in accordance with Board Policy A-58 to include periodic password expiration and denying repeated passwords within the last five password changes.

Current Status: Corrected

The Probation Department has implemented procedures to ensure JAMS password requirements are in compliance with Board Policy A-58. Specifically, JAMS passwords are set to expire every 90 days and cannot be reused within the last seven password changes.

Court Collections

Finding 3: We were not able to perform detailed audit testing because the Probation Department does not have the necessary records to ensure adequate internal controls are in place. Without adequate documentation, tracking and reconciliation, the department is unable to ensure:

- Probation Department received all court ordered payments due to them;
- Reductions to court ordered payments are authorized and appropriate;
- Court orders received were distributed to victims in a timely manner and in accordance with California Penal Code 1203.1(b);
- Probationers are paying their court ordered fees; and
- Probationers are not released from probation if a court order is not paid in full in accordance with California Penal Code 1202.4.

Recommendation 3

Maintain adequate books and accounts in accordance with the Welfare and Institutions Code 275 including:

- Tracking all amounts due per court orders;
- Reconciling amounts received from the courts on a monthly basis;
- Verifying reductions, payments and distributions were performed in accordance with the applicable codes; and
- Verifying probationers are not released from probation prior to paying court orders in full.

Current Status: Not Corrected

The Probation Department has not made progress in obtaining management reports from the State of California Superior Court to track court ordered payments due to them; to reconcile amounts received from the courts on a monthly basis; to verify reductions, payments, and distributions; and to verify probationers are not released from probation prior to paying court orders in full. The desired management reports will require additional programming time and costs incurred by the Court's ECD IT staff. The Probation Department is in discussions with the Executive Office to achieve compliance with the recommendations; however, at this time, the full implementation of the finding is dependent upon the Superior Court's IT staff and their workload, and the County's ability to fund the project.

We will conduct a desk review on this not corrected item within one year.