

County of Ventura
AUDITOR-CONTROLLER
MEMORANDUM

To: Todd W. Howeth, Public Defender

Date: July 6, 2017

From: Jeffery S. Burgh

Subject: VALIDATION OF THE 2015 CONTROL SELF-ASSESSMENT FOR THE
VENTURA COUNTY PUBLIC DEFENDER

We have completed our engagement to validate the internal controls reported in the 2015 Control Self-Assessment for the Ventura County Public Defender ("PD"). The results of our validation are summarized below.

BACKGROUND

In an effort to promote strong internal controls Countywide, the Auditor-Controller and County Executive Office have jointly established a Control Self-Assessment ("CSA") Program. The CSA Program requires departments to formally assess the adequacy of internal controls at least once during the multi-year program cycle and report the results to the Auditor-Controller's Office for review and validation. The 2015 CSA for the PD was submitted on February 26, 2016.

The PD provides mandated, quality legal representation to indigent defendants and juveniles in all court proceedings at the least possible expense to the County. The office also represents persons alleged to be mentally ill, developmentally disabled, or in need of conservatorship. The PD was authorized 105 positions and a budget of \$18.9 million for fiscal year 2016-17.

SCOPE

Our overall objective was to evaluate, on a test basis, the information reported in the PD's CSA. Specifically, we:

- verified that selected internal controls were in place and operating effectively as reported in the department's CSA; and
- verified the status of planned internal control improvement actions reported in the department's CSA.

We performed tests and evaluations using documents and records provided by the PD for the period August 2009 through February 2017. The engagement was performed in conformance with the *International Standards for the Professional Practice of Internal Auditing* promulgated by The Institute of Internal Auditors.

This engagement does not provide an opinion on the design and implementation of the department's overall system of internal control.

VALIDATION RESULTS

In general, we found that the selected internal controls were in place and operating effectively as reported in the department's CSA, although internal controls over the employee performance review process could be strengthened. We also confirmed that selected planned internal control improvement actions were either complete or in progress. Following are details of our validation results.

1. **Control Existence and Operating Effectiveness.** Of the five internal controls we selected for validation, we found that all five were in place and operating effectively as reported by the department. For example, we found that the PD has established and implemented:
 - Policies and procedures (P&P) that include core values, ethics, and professional standards, which are provided to employees through the P&P manual.
 - Procedures for appropriate review of actual expenditures and revenues compared to budgeted amounts.
 - Clear goals and directions to managers from top management.

However, we identified an area where PD could further enhance existing internal controls as detailed below.

Control Needing Improvement: Performance Evaluation Timeliness. Employee performance reviews were not always performed on a timely basis. Currently, PD has a system in place for tracking when employee performance reviews are due, and PD administrative staff provides supervisors with notifications of upcoming due dates. However, as of February 2017, performance evaluations were overdue for 32 (31%) of 103 PD employees. While we recognize PD's explanation that a rotation of PD attorney staff resulted in overdue performance reviews, we encourage PD to further strengthen existing internal controls to ensure timely performance feedback for all PD employees.

Recommendation. PD management should take additional steps to ensure that timely performance reviews are performed for department employees, such as reporting supervisors with overdue performance reviews to PD management for follow-up on a regular (e.g., monthly, quarterly) basis.

Management Action. PD management stated:

"We agree with the findings of the report.

"We recognize that we need to improve our processes to ensure timeliness of performance evaluation submissions. We currently have a system in place to track when performance evaluations are due; however, we plan to enhance the system to ensure timely submission of performance evaluations.

“This will be a priority for the new management team and we plan to have a new process no later than September 2017. Additionally, we have been in contact with County HR and we plan to move forward with e-performance with our clerical staff unit and the juvenile staff.

“The addition of an administrative assistant will enable us to make this a priority.”

2. **Status of Planned Improvement Actions.** Of the five planned internal control improvement actions we selected for validation, we found that one was completed and four are in progress. Specifically, the PD has summarized the Continuity of Operations Plan and placed Emergency Plan posters in accessible areas throughout the office. Additional improvement items in progress include:

- Developing reports and the ability to submit follow-up letters for probate accounts with outstanding balances.
- Reviewing accounts receivable for services provided to mental health clients to implement appropriate collections procedures if necessary.
- Performing research and obtaining information regarding the ability to contract for information technology disaster recovery services. Further progress is contingent upon obtaining additional budget funds and/or assistance from the County’s Information Technology Services Department.

AUDITOR’S EVALUATION OF MANAGEMENT ACTION

We believe that management actions taken or planned were responsive to the validation finding. Management planned to complete corrective actions by September 2017.

We appreciate the cooperation and assistance extended by you and your staff during this engagement.

cc: Honorable John C. Zaragoza, Chair, Board of Supervisors
Honorable Peter C. Foy, Vice Chair, Board of Supervisors
Honorable Steve Bennett, Board of Supervisors
Honorable Linda Parks, Board of Supervisors
Honorable Kelly Long, Board of Supervisors
Michael Powers, County Executive Officer