

County of Ventura
AUDITOR-CONTROLLER
MEMORANDUM

To: Honorable Gregory D. Totten, District Attorney

Date: July 2, 2012

From: Christine L. Cohen

Subject: VALIDATION OF THE 2010 CONTROL SELF-ASSESSMENT FOR THE DISTRICT ATTORNEY (DA)

We have completed our engagement to validate the internal controls reported in the DA's 2010 Control Self-Assessment (CSA). The results of our validation are summarized below.

BACKGROUND

Under the County's *Internal Control Policy*, departments are required to formally assess the adequacy of internal controls at least once every 3 years and report the results to the Auditor-Controller's Office for review and validation. The 2010 CSA for the DA was submitted on January 21, 2011.

The DA is responsible for providing County residents with the prosecution of all State crimes, including felonies, misdemeanors, and juvenile crimes. Other responsibilities include providing legal assistance to all Ventura County law enforcement agencies, consumer and environmental protection, and assistance to crime victims. The DA performs narcotic asset forfeiture, coordination of witness appearances, and special investigations relating to public corruption and organized crime. Additional services include non-sufficient fund (NSF) restitution and prosecution, welfare fraud investigation and prosecution, and child recovery. The DA was authorized 266 positions and a budget of \$38.3 million for fiscal year 2011-12.

SCOPE

Our overall objective was to evaluate, on a test basis, the information reported in the DA'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 DA for the period July 2010 through June 2012. The engagement was conducted 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

Our validation confirmed that the selected internal controls were in place and operating effectively as reported in the department's CSA. We also confirmed that the planned internal control improvement action was in progress. Following are details of our validation results.

1. **Control Existence and Operating Effectiveness.** Of the 10 internal controls we selected for validation, we found that all 10 were in place and operating effectively as reported by the department. For example, we found that the DA has established and implemented:
 - Documentation of operating and accounting policies and procedures, which are provided to employees through desk manuals, memoranda, and the department's intranet site.
 - Procedures for appropriate review and approval of department purchases, including:
 - Evaluation and approval of purchasing needs before orders are placed.
 - Review of Procurement Credit Card statements prior to payment as required by County policy.
 - Procedures for monitoring and reconciling grant and department agency/trust funds, including:
 - Monitoring of grant expenditures and ongoing communication with grant managers regarding remaining balances.
 - Creating and following a schedule of statutory reporting deadlines to ensure timely filing of reports and other information required by granting agencies.
 - Monthly reconciliation of department agency/trust funds as required by County policy.
 - Cash handling policies and procedures for the NSF Check Program that allow for the prevention and/or detection and appropriate reporting of any potential cash overages/shortages.
 - Management involvement in employee training.
2. **Status of Planned Improvement Action.** We found that the department's planned internal control improvement action was in progress. Specifically, the DA has taken steps to explore the possibility of expanding the department's use of Countywide financial and human resources systems to streamline tracking of grant and program costs.

This report does not contain items requiring a response from DA management.

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 Kathy Long, Board of Supervisors
Michael Powers, County Executive Officer