

County of San Bernardino

**Auditor-Controller/Treasurer/Tax Collector
Internal Audits Section**

County Counsel:

Billing Process Audit



Larry Walker

Auditor-Controller/Treasurer/Tax Collector

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Auditor-Controller/Treasurer/Tax Collector

Mission Statement

The San Bernardino County Auditor-Controller's Office is committed to serving our customers by processing, safeguarding, and providing information regarding the finances and public records of the County. We perform these functions with integrity, independent judgment, and outstanding service. We are accurate, timely, courteous, innovative, and efficient because of our well-trained and accountable staff.

Audit Team

Denise Mejico
Chief Deputy Auditor

Mary Barber, CPA, CGMA
Internal Audits Manager

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Internal Auditor III

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Accountant I



County Counsel: Billing Process Audit

Audit Report Letter	1
Audit Background	3
Scope, Objective, and Methodology	4



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LARRY WALKER
Auditor-Controller/
Treasurer/Tax Collector

June 25, 2014

Jean-Rene Basle, County Counsel
County Counsel
385 N. Arrowhead Avenue
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SUBJECT: County Counsel's Billing Process Audit

In compliance with Article V, Section 6, of the San Bernardino County Charter and County Policy 05-20 entitled Internal Operational Auditing, we have completed an audit of County Counsel for the period of July 1, 2012 through June 30, 2013. The objective of the audit was to determine whether the internal controls over County Counsel's billing and accounts receivable processes are effective. We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

Our audit determined that the policies and procedures in place are generally effective to maintain adequate internal controls over the billing process for internal county departments.

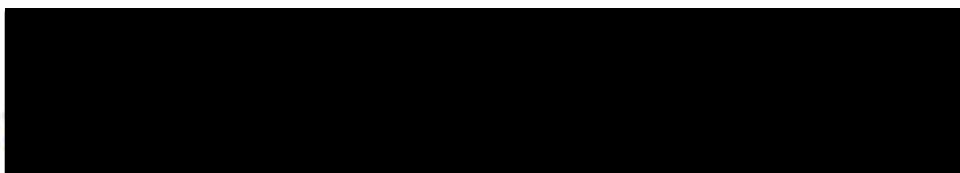
We sent a draft report to the Department on June 24, 2014 and discussed the results of the audit with management on June 24, 2014.

We would like to express our appreciation to the personnel at the County Counsel who assisted and cooperated with us during this engagement.

Respectfully submitted,

Larry Walker

Auditor-Controller/Treasurer/Tax Collector
San Bernardino County

By: 

Denise Mejico
Chief Deputy Auditor

Enclosure

Distribution of Audit Report:

Robert Lovingood, 1st District Supervisor
Janice Rutherford, Chair, 2nd District Supervisor
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Josie Gonzales, 5th District Supervisor
Gregory C. Devereaux, County Executive Officer
Grand Jury, Foreperson (2)
Auditor-Controller Audit Committee

Date Report Distributed: 6/26/14

LDW:DLM:DMB:DRS:oac



Background

County Counsel serves and protects the County, its treasury, and its governing body by providing timely and accurate legal services and aggressively representing the County in litigation. The Department provides these services to both internal County departments and other County external affiliates. The County Counsel Administration Section oversees the billing process for County Counsel's clients.

County Counsel utilizes Perfect Law[®] All in One software for time and cost tracking, billing and accounts receivables. All work performed by County Counsel legal staff on client matters is entered by the staff into Perfect Law by both the client number (a unique number assigned to each client) and a matter number (a matter the client requested assistance on). County Counsel staff also enters any costs incurred while working on the matter into Perfect Law[®].

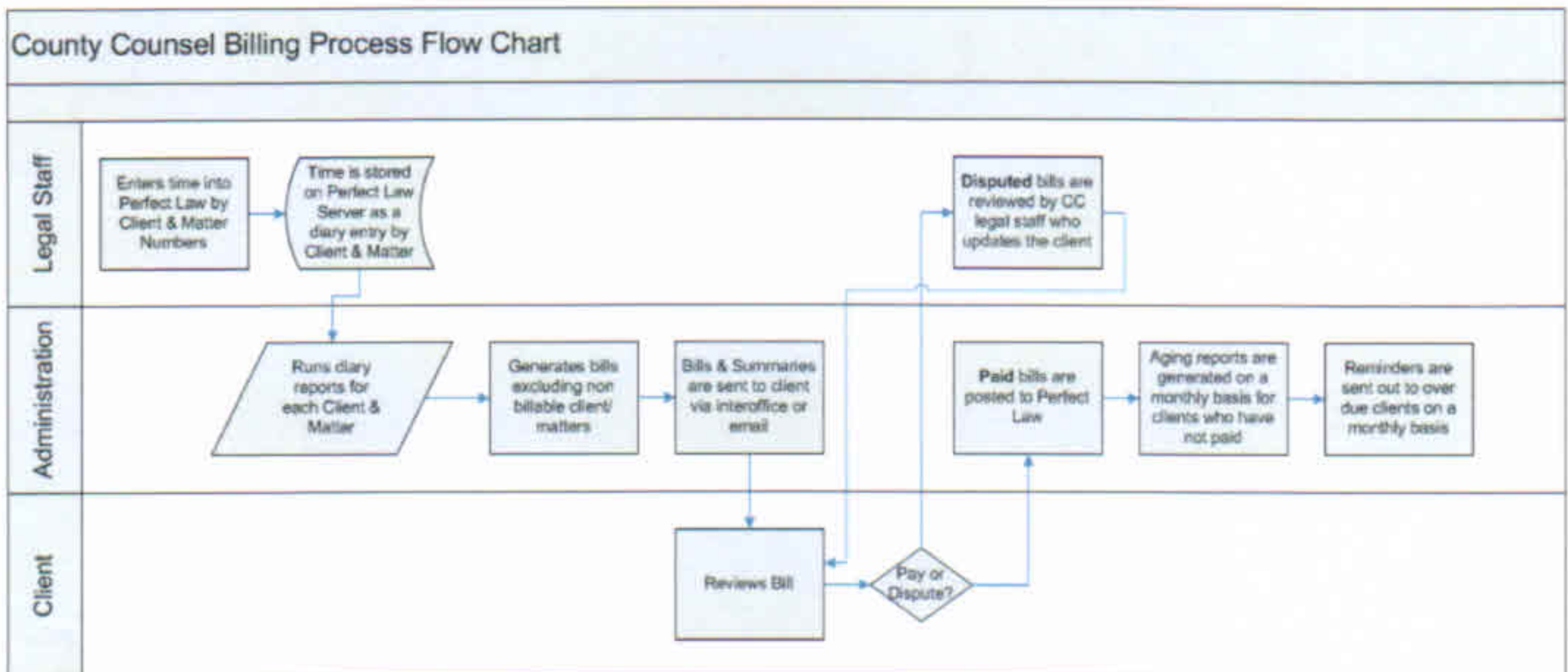


Diagram 1.1 – Flow chart of activities by parties involved in the County Counsel billing/accounts receivable processes.



Scope and Objectives

Our audit examined the billing records of County Counsel for the period of July 1, 2012 through June 30, 2013. The scope was limited to the billing process of internal County departments.

Our overall objective is to determine whether the Department's internal controls over billing and accounts receivable processes are effective.

Methodology

To achieve the audit objectives, we performed procedures including but not limited to:

- Reviewed policies and procedures.
- Interviewed Department staff that were directly involved in the billing and accounts receivable processes.
- Examined supporting documentation such as receipts for direct billed costs.