

County of San Bernardino

Auditor-Controller/Treasurer/Tax Collector
Internal Audits Section

Clerk of the Board: Personally Identifiable Information Audit



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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.

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SUBJECT: PERSONALLY IDENTIFIABLE INFORMATION 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 the Clerk of the Board's Personally Identifiable Information. The primary objective of the audit was to determine if personally identifiable information received, collected, stored and transmitted by the Clerk of the Board is handled in compliance with County Policy Section 14. We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

We identified a significant procedure and practice that could be improved. We have listed this area for improvement in the Audit Finding and Recommendation section of this report.

We sent a draft report to the Department on October 30, 2017 and discussed our observations with management on November 8, 2017. The Department's responses to our recommendations are included in this report.

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

Respectfully submitted,

Oscar Valdez

Auditor-Controller/Treasurer/Tax Collector
San Bernardino County

By:


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Clerk of the Board: Personally Identifiable Information Audit

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Summary of Audit Results

Our finding and recommendation is provided to assist management in achieving compliance with County Policy.

The table below summarizes the audit finding and recommendation for this audit engagement. For further discussion, refer to the *Audit Finding and Recommendation* section of this report.

Finding and Recommendation	Page No.
The Department lacks written policies and procedures as required by County Policy Manual, Section 14.	4
The Department should establish and implement written policies and procedures governing personally identifiable information and information breaches.	



Background

The Clerk of the Board (COB) provides legislative and administrative support services to the Board of Supervisors (BOS). The COB coordinates, prepares and maintains minutes, ordinances, resolutions, contracts, agreements and other official records and documents related to meetings conducted by the BOS. The COB coordinates the annual filing of financial disclosure documents in accordance with state law and local conflict of interest codes. The County has more than 150 advisory boards, commissions and committees for which the COB maintains records and membership information, posts vacancies, processes appointments and monitors ethics training.

The COB provides staff support to the County's Assessment Appeals Boards and facilitates the filing, hearing and disposition of thousands of appeals annually. The County requires that businesses operating in unincorporated areas obtain and maintain a valid business license. The COB receives, reviews, and processes business license applications and issues licenses for approved businesses. The COB also receives, posts and files California Environmental Quality Act notices in accordance with State Department of Fish and Game requirements; accepts summonses, complaints, planning appeals, requests for tax refunds and Board correspondence; and responds to hundreds of requests for information and documents from County staff and the public.

Due to the nature of work performed by the COB, personally identifiable information is regularly handled by the Department. Personally identifiable information is defined by County Policy no. 14-02 as any piece of information maintained by the County electronically or in paper format which can potentially be used to uniquely identify, contact, or locate County employees or members of the public. Examples are information, such as but not limited to, social security numbers, driver's license numbers, and addresses.



Scope and Objective

The objective of this audit was to determine if personally identifiable information received, collected, stored and transmitted by the COB is handled in compliance with County Policy Section 14, as of September 11, 2017.

Methodology

In achieving the audit objective, the following audit procedures were performed, including but not limited to:

- Interviews of COB personnel.
- Review of policies and procedures.
- Walk-through of activity.



Finding: The Department lacks written policies and procedures as required by County Policy Manual, Section 14.

San Bernardino County Policy no. 14-02 requires all departments and divisions to establish and implement policies and procedures for protecting the integrity, security and confidentiality of nonpublic personally identifiable information (PII) received, collected, stored and transmitted within its respective department or division. Also, San Bernardino County Standard Practice no. 14-02SP1 requires all County departments to create and make available to all staff an information breach policy that identifies departmental responses to a breach relative to their legal requirements, nature of business, size and sensitivity of information maintained.

It was noted that:

- The Department lacks written policies and procedures for protecting the integrity, security and confidentiality of personally identifiable information.
- The Department lacks a written information breach policy.

The Department has implemented a number of business practices addressing the protection of PII, including but not limited to, redaction processes, physical and electronic safeguarding of PII, and secure handling and disposal of confidential information. The Department was aware of the County PII Policy, but was unaware that the Policy requires each Department to create internal written policies and procedures addressing the protection of PII and the handling of information breaches. Without established written policies and procedures, nonpublic personally identifiable information is placed at risk of loss or fraudulent use. Also, the likelihood of potential harm to the County as a result of an information breach, including adverse legal action, is increased.

Recommendation:

We recommend that the Department establish and implement written policies and procedures for protecting the integrity, security and confidentiality of nonpublic personally identifiable information received, collected, stored and transmitted by the COB. We also recommend that the Department establish and implement an information breach policy to include, at minimum, the legal requirements set forth in San Bernardino County Standard Practice no. 14-02SP1.

Management's Response:

As indicated in the Findings, the Office of the Clerk of the Board has implemented several internal processes to address the safeguarding of PII, secure handling and disposal of confidential information and information breaches. Since the audit, the Clerk of the Board has also created and finalized a PII Policy and Standard Practice and an Information Breach Policy. All staff



have been trained on the new written policies. Upon employment, new employees will receive individual training on the PII Policy and Information Breach policy and documented training for all COB staff will take place on an annual basis. The audit proved to be very informative and we are appreciative of the manner in which the audit took place as well as the staff performing the audit.

Auditor's Response:

The Department's actions and planned actions will correct the deficiencies noted in the finding.