Riverside County Superior Court Grand Jury
Riverside, California 92502

TRANSMITTAL LETTER

Dear Juror:
The grand jury’s report dated May 27, 2022 ought to function as a prime example of broken government, or as Johann Wolfgang von Goethe said, 'There is nothing more frightful than ignorance in action.'

As an eighteen-year-old in the US Army, I swore an oath that “I do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same.” I’ve always taken that oath seriously. I am very proud of the service my staff and I have provided to the county’s taxpayer. Our audits clearly demonstrate that we’ve been tough fiscal watchdogs. Further, we rallied through the Covid-19 epidemic, where the entire office was stricken with the killer disease, and still delivered the quality of service expected by the taxpayer – a huge success story.

Three weeks from hospital intensive care I continued to work for my constituents until I was too ill to communicate any further.

At each project under my leadership, I made certain to add value to the people’s work. For example, one audit sought out registered sexual offenders in the hospital health care system to protect children and other patients. By being proactive, this audit not only protected our patients but also protected the county from massive lawsuits. Several names could not be ruled out and those names were provided to HR for action. In another audit, we found that of 54 IT firewalls, 49 were non-operational. If not for my audit, a foreign, hostile government would have had a field day here stealing PII (personally identifiable information). My audit helped the county dodge that bullet. Still, in another audit we found fiscal hemorrhaging in the county’s legal settlement program, where Riverside County paid out nearly
$100 million in a five-year period — far more than the next four-largest California counties combined! Here, I came under intense personal attack and my family threatened for doing my job. Where was the grand jury during these tough high-risk audits? Instead of missing in action (MIA) in these audits of great public concern, the grand jury had a duty to stand up for the taxpayer. Yet all we heard from them was crickets. As Caesar told his son in one of the Germanic Battles: “You not only missed the battle, you missed the war.” He might as well have been referring to this grand jury.

Moreover, I make no apology for my training and education. Stop asking who paid for my UC Berkeley and Master’s degrees— I DID! An elected official has a MORAL DUTY to be well-trained and prepared when representing the taxpayers. REPEAT: An elected official has a MORAL DUTY to be well-trained and prepared when representing the taxpayers. The Executive Office and the Board recognizes this training imperative in the auditor’s office and therefore it approved highly-specialized training in Washington DC and at Harvard graduate school to MAKE SURE the taxpayer got EVERYTHING DUE to them and to ensure the upmost of fiscal integrity of the taxpayer’s nearly $40 Billion in assets and cash-flows. Cost of advanced training is small change compared to what is at stake. Kudos to them for supporting a well-trained office.

To use the grand jury’s own words - hypocrite is the grand jury for trying to assist my political opponent with this defamatory, naïve and ignorant report. Collectively, this grand jury cannot produce one (1) professionally accredited accountant yet feels empowered to dictate to a duly elected and licensed professional with twenty-years’ experience what to do. Armchair-General dictates, such as yours, rarely work because of the nuances of the battle. The ACO continues to work through these challenges and deserves some credit.

This grand jury is in the same category as my political opponent who has no professional accountancy accreditation, much less qualified to opine on multi-billion-dollar fiscal operations. More know-nothing politicians masquerading as accountant auditors trying to dupe the citizens of Riverside County. If this is the grand jury’s standard, then why not simply hire one of the many guys looking for work at the Home Depot parking lot?

Instead, to defend the County’s taxpayer, the question the grand jury should be asking is why a candidate, such as my opponent this Nov 8, 2022, who admittedly has no formal finance, accounting, or audit training, or professionally accredited is allowed to run for an office that provides oversight and manages the finances of one of the largest counties in the United States of America. If the grand jury cannot answer this question, then all its other questions are meaningless and irrelevant.
You talk about risk!? Consider a county auditor without formal training and professional accreditation BY DEFINITION exponentially heightens the risk of County mission failure. This is precisely what occurred in the unprecedented bankruptcy of Orange County in 1995. Either professional accreditation and experience matter or they don’t. Make up your mind.

There was a day in America that the Court honored the US Constitution. Specifically, the 14th amendment that addresses DUE PROCESS. Instead of dictating to an honorable public servant and duly elected county auditor like high-priests of the Gestapo, how about letting him know what you perceive to be problematic before your character assassination? You have embarrassed the court and yourselves by using the court as cover for your petty politics.

THE DAY WILL COME WHEN I AM GONE AND YOUR DISHONOR WILL REMAIN.

[Signature]

Paul Angulo, CPA, M.A.
Riverside County Auditor & Controller
Citizen, Soldier, American Patriot
US ARMY 1971-74 In the Service of My Country
2021/22 Grand Jury Report
Riverside County Auditor Controller’s Office, Internal Audit
Dated May 27, 2022

GRAND JURY FINDINGS:

Grand Jury Finding #1:

Noncompliance with Government Code 25250. Completely Disagree

Response to Grand Jury Finding #1:

The Grand Jury’s interpretation of the law and their misguided “facts” is nothing but a disservice to the taxpayer. The ACO is in FULL COMPLIANCE with Government Code 25250. Additionally, we are in compliance with Government Code 1236 that requires we conduct our audit work using the prescribed standards issued by the Institute of Internal Auditors (IIA) or Comptroller General of the United States.

March 2022 Peer Review:
David S. Marshall, MBA, CISA, CFE, CFS (Full qualifications attached) report says:

- “The Auditor-Controller’s Office performs biennial audits of all departments within the County jurisdiction of the Board of Supervisors per California Government Code 25250. The Auditor-Controller is responsible for ensuring that mandatory audits are performed by internal staff or contracted certified public accountants. The ACO Internal Audit department complies with State of California Government Code 1236: IA “conduct their work under the general and specified standards prescribed by the Institute of Internal Auditors or the Government Auditing Standards issued by the Comptroller General of the United States, as appropriate.”

Grand Jury Finding #2:

Lack of independence. Completely Disagree

Response to Grand Jury Finding #2:

The Grand Jury’s lack of understanding basic concepts does not account for the independent oversight reviews of each unit. Internal Audits and Specialized Accounting are conceptually managed independently.
David S. Marshall, MBA, CISA, CFE, CFS report says:

- “The independence of Internal Audits is not impaired because the individual that prepares, reviews and certifies the cost and revenue reimbursement reports does not audit them.”

Grand Jury Finding #3:

Internal Audits are marginalized and, in many cases, just ignored. **Completely Disagree**

Response to Grand Jury Finding #3:

The Grand Jury is finding the ACO leadership at fault because of the lack of follow-up to the audit recommendations. The ACO completes their responsibility of conducting and reporting the audits. The ACO has zero responsibility to manage the oversight of the corrective actions.

David S. Marshall, MBA, CISA, CFE, CFS report says:

- “Internal audits are adequately planned and managed in accordance with standards and best practices.”
- “Results are validated with auditees during fieldwork and at exit meetings. Formal, written reports are issued and of sufficient quality. The findings in the reports require a written response from management with corrective action.”
- “Internal Audits and results are formally reported including risks and management’s treatment of risks. Follow-up audits are conducted to monitor risks and internal controls.”

Grand Jury Finding #4:

County’s Internal Audit members do not have the combined knowledge, skill, and experience to perform their responsibilities as required by Standard 1210. **Completely Disagree**

Response to Grand Jury Finding #4:

The ACO takes exception to this disturbing allegation by the Grand Jury, who themselves are not licensed or credentialed practitioners. The ACO focuses on outcomes. To automatically
assume that there is a decrease in productivity and a lack of knowledge, skills and experience with the decreased number of staff, is absolutely ridiculous and shows how little understanding of the operation the Grand Jury has. Therefore, the Table below can offer some assistance in explaining the outcomes from the concept of “Building Capacity” which the ACO has been forced to rely on.

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David S. Marshall, MBA, CISA, CFE, CFS report says:

- “The Assistant Auditor Controller, Chief Auditor, and Principal Internal Auditor continuously improve the Audit organization by hiring competent staff, conducting detailed risk and workpaper inspections, and mentoring the staff.”

Grand Jury Finding #5:

The County consistently fails to rectify known limitations in its Internal Audit Unit. **Completely Disagree**

Response to Grand Jury Finding #5:

The ACOs inability to fill the vacant positions is due to low pay and poor benefit packages. This is well documented on exit interviews. Two of the most recent internal auditors left for other opportunities that paid 25-30% higher for literally the same title. The ACO leadership has reported this multiple times to Human Resources. CPAs and advanced auditors with 4
years accounting degrees are high level, well-educated employees and should be treated no differently than attorneys or engineers with professional training. **David S. Marshall, MBA, CISA, CFE, CFS** report says:

- "The internal audits are adequately planned, scoped and assigned based on California mandates and the effective allocation of audit resources. Audit engagements are documented in an audit plan and audit procedures are updated to reflect audit risks."

**Grand Jury Finding #6:**

The County’s Internal Audit Unit members lack professional certifications and experience in critical areas, which in turn exposes the County to potential financial and operational risks. **Completely Disagree**

**Response to Grand Jury Finding #6:**

It would take an unlicensed, uncredentialed Grand Jury to make this egregious allegation. Our combined strength in experience equals to 110 years’ experience - with an average of 10 years of experience per member of the Internal Audit Unit. Building capacity through training has allowed us to produce the outcomes that the taxpayer deserve.

**David S. Marshall, MBA, CISA, CFE, CFS** report says:

- "IA staff is capable, qualified, and performs high-quality work. Auditors maintain CPE."
- "ACO audit staff appear competent as judged by our interviews and inspections of workpapers and Continuing Professional Education. Auditor interviews indicated motivation and dedication to support the mission of the county. We observed auditor camaraderie and information-sharing through weekly staff meetings, counseling, and informal conversations among the team members."

*Note: Marshall is a Certified Fraud Examiner and would have said if the county is at risk or breaking the law by not having a Certified Fraud examiner.*

**Grand Jury Finding #7:**

The County’s lack of an audit oversight committee has resulted in some high-risk areas missed by internal audits for several years. **Completely Disagree**

**Response to Grand Jury Finding #7:**
Anyone who has studied political theory 101 would recognize this suggestion straight out of a Communist manifesto. The people of California decided decades ago that they prefer to have a professionally licensed accountant (CPA) to lead county auditor functions, NOT a Politburo. Therefore, under this Auditor Controller’s leadership this suggestion is DOA (Dead on Arrival).

It is not the responsibility of the ACO, to pull together another do-nothing governmental committee. The ACO focuses on reliable, data driven internal audits based on risk, not something that isn’t mandated by law or regulations.

**Grand Jury Finding #8:**

The County’s internal audit reports do not provide the Board and Executive Office with (a) summary information about the seriousness of its findings, (b) likelihood of negative impacts to the County, or (c) how quickly corrections need to be made. **Completely Disagree**

**Response to Grand Jury Finding #8:**

ACO internal audits are completed according to the Auditing Standards of the Institute of Internal Auditors (IIA). The ACO will not issue subjective A-F grades to departments, as requested by the Grand Jury. Giving departments a letter grade certainly will not improve relationships with the ACO who wishes to stay factual based. The Grand Jury is not authorized to insist that the ACO go out of their Scope of Practice. The ACO is governed by Standards and Laws. Risk is addressed in each report and the management of that risk is up to the County Department leadership.

**Grand Jury Finding #9:**

The County’s follow-up internal audit reports do not provide the Board and Executive Office with summary information on the status of departments implementing required corrective actions. **Completely Disagree**

**Response to Grand Jury Finding #9:**

Not the ACOs job. The ACO is to conduct the audits and follow-up audits that give the current state of the department.

**Grand Jury Finding #10:**

The County lacks summary reports and monitoring mechanism that provides the Board and Executive Office with the following types of reports: **Completely Disagree**

- Bi-Annual Systematic Internal Audit Findings Reports
- Annual Risk Assessments and Management Plan
2021/22 Grand Jury Report
Riverside County Auditor-Controller’s Office, Internal Audit
May 27, 2022

- Quarterly Internal Audit Status Reports
- Contract Monitoring Reports
- Countywide Risk Management Dashboard

Response to Grand Jury Finding #10:

Open your wallet, as this will take many staff to develop and manage. The ACO has had a dashboard in the past and it was not utilized because there was no cost benefit. These reports are a waste of taxpayer money. As Auditor Controller, the people have hired me for my experience and professional knowledge and I will only take action when it is law or standard related, and a cost benefit for the people of Riverside County.

Grand Jury Finding #11:

An internal audit charter is a formal document that defines the internal audit activity’s purpose, authority, and responsibility, including access to confidential records. The County’s internal audit charter has not been updated in 39 years. The County’s internal charter is outdated and does not comply with Standard 1010. **Completely Disagree**

Response to Grand Jury Finding #11:

The ACO operational guidelines is the Redbook for Accounting as promulgated by the **Institute of Internal Auditors**. A Charter is obsolete when you are governed by professional standards.

David S. Marshall, MBA, CISA, CFE, CFS report says:

- “IA maintains a charter that defines IA duties. The charter is aligned with IIA guidance.”
- “Internal Audit’s effectiveness in carrying out its mission as defined in their Charter, and in the expectations of those charged with governance. We identified the department’s audit practices that are operating effectively”.

Grand Jury Finding #12:

Dysfunctional working relationships among County and department leaders significantly hinders the effectiveness of internal audits. **Completely Disagree**

Response to Grand Jury Finding #12:
This is a subjective assessment best left to psychology professionals. The ACO does not expect to be liked when finding areas that need improvement. The departments have months to work with the ACO but many choose not to because it is hard to argue against facts. How would the Grand Jury’s suggestion of an A-F subjective grade make this working relationship any better? Some departments prefer to blur the lines and make an appeal to the Board. The ACOs responsibilities have been fulfilled. We have used standards to base our results on and will not change our method or alter our outcome. The taxpayer wants transparency of waste and abuse; and while unpopular, the ACO is determined to continue to deliver it, despite personal attacks on the auditor controller and his family.

**GRAND JURY RECOMMENDATIONS:**

Grand Jury Recommendation #1:

By January 1, 2024, the Board adopt a policy establishing an Audit Oversight Committee with membership drawn from the Board, Executive Office, ACO, Risk Management Steering Committee, private sector, and all five supervisor districts.

Based on Finding 7

Financial Impact - Minimal

Response to Grand Jury #1:

Anyone who has studied political theory 101 would recognize this suggestion as straight out of a Communist manifesto. The people of California decided decades ago that they prefer to have a professionally licensed accountant (CPA) to lead county auditor functions, NOT a Politburo. Therefore, under this Auditor Controller’s leadership, this suggestion is DOA (Dead on Arrival). It is not the responsibility of the ACO, to pull together another do-nothing governmental committee. rThe ACO is continuously working on identifying risks through the Waste and Abuse Hotline, lawsuits, governmental training, and bi-annual ACO California County Auditor seminars and conferences. The Grand Jury’s dictator approach to beat the county auditor into submission will not work. The Grand Jury is delusional that the department leaders will proactively identify risks that may expose them. The truth is the truth and I will not sugar coat the facts to mislead the taxpayer.

Grand Jury Recommendation #2:

By January 1, 2024, the Board adopt a policy that requires internal audit plans to audit all departments every two-years with an emphasis on high-risk financial and operational topics.

Based on Findings 1, 5, and 7

Financial Impact - Minimal

Response to Grand Jury Recommendation #2:
2021/22 Grand Jury Report  
Riverside County Auditor-Controller’s Office, Internal Audit  
May 27, 2022  

The ACO finds this ironic, because in the recently conducted Peer Review Riverside County's Internal Audit Division was recognized as “leading practice” in Audit Planning. The Grand Jury had access to this report and chose to ignore it.

This is already being done as noted in the “leading practice” summary defined by David S. Marshall, MBA, CISA, CFE, CFS who writes:

- “Given that California Code 25250 requires each County department to be audited every two years, ACO audit planning is sufficient to meet this endeavor. Risks are assessed by the auditors during the audit planning meetings and by soliciting input from department personnel during audit entrance meetings. Audits are added to the schedule when there is a change in department head and other significant events.”

One can only assume that the Grand Jury’s lack of knowledge or ulterior motive clouded their ability to make a unbiased or fact based recommendation.

Grand Jury Recommendation #3:

By January 1, 2024, the Board adopt a policy that requires the ACO to conduct any internal or external audit at the discretion of the Board and/or Executive Office regardless of the topic appears on an approved annual audit plan or not.

Based on Finding 7, 8, 9, 10, and I 1  
Financial Impact - Minimal

Response to Grand Jury Recommendation #3:

This is already being done as noted in the “leading practice” summary defined by David Marshall MBA, CISA, CFE and CFS who writes:

- “Audits are added to the schedule when there is a change in department head and other significant events.” I guess it takes a trained eye to see that it is already occurring and should not be listed as a recommendation.

One can only assume that the Grand Jury’s lack of knowledge or ulterior motive clouded their ability to make unbiased or fact-based recommendations.

Grand Jury Recommendation #4:

January 1, 2024, the Board adopt a policy that requires the ACO to have at least one internal auditor with a Certified Fraud Examiner and at least one internal auditor with expertise in Information Technology.
Based on Findings 4 and 6
Financial Impact - Moderate to Significant Depending on Implementation

Response to Grand Jury Recommendation #4:

The Grand Jury wants the ACO to pull a Rabbit out of the Hat. The ACO cannot keep CPAs now because of low pay and poor benefit packages. The Peer Reviewer David Marshall is a Certified Fraud Examiner and an expert in Internal Audit Informatic Technology (CISA). Nowhere in his March 2022 report does it make such a ridiculous recommendation. The ACO does not wish to contribute to BIG Government. Instead, the ACO's decisive move to build capacity has made the Peer Reviewer list “Audit Planning” and “Auditor Workpapers and Quality Self-Inspection” as “leading practice.”

Grand Jury Recommendation #5:

By January 1, 2024, the Board adopt a policy that establishes procedures to resolve disputed internal audit findings between the ACO and department/agency directors.

Based on Findings 3, 5, 11, and 12
Financial Impact - Minimal

Response to Grand Jury Recommendation #5:

Departments auditees give internal audits the numbers that are used to generate the audit summary. One may not like the facts in the audit report becoming transparent to the people, but they are still the facts. The ACO’s entire working world is based on numbers. There is no way to sugar coat these numbers. If that makes departments not like the ACO; well many don’t like IRS either.

Grand Jury Recommendation #6:

By January 1, 2024, the Board adopt a policy that requires the ACO to (a) indicate severity of risks identified in internal audit reports, (b) the amount of time departments have to reduce or eliminate those risks, and (c) when follow-up internal audits will occur.

Based on Findings 3, 5, 8, and 9
Financial Impact - Minimal

Response to Grand Jury Recommendation #6:

Click here to enter text.
The ACO will continue to follow the law and standards. The Grand Jury’s dictator approach to this and all of the recommendations is not what the people hired me for. The AC is
independently elected to make technical, experienced decisions. The ACO will not be beat into submission by an unqualified and uncredentialed Grand Jury. Risk is addressed in all reports and follow-up on corrective actions is not the ACOs responsibilities - except in completing a follow-up audits.

Grand Jury Recommendation #7:

By January 1, 2024, the Board adopt a policy that requires the ACO to include the status of departments implementing required corrective actions in its follow-up audit reports.

- Based on Finding 9
- Financial Impact - Minimal to Moderate

Response to Grand Jury Recommendation #7:
A follow-up audit is a current state of the department. That is what is required by law and that is what is submitted.

Grand Jury Recommendation #8:

By January 1, 2024, the Board adopt a policy that requires the ACO to provide them with the following types of reports:
- Bi-Annual Systemic Internal Audit Findings Reports
- Annual Risk Assessment and Management Plan
- Quarterly Internal Audit Status Reports
- Contract Monitoring Reports
- Countywide Risk Management Dashboard

- Based on Findings 1, 3, 5, 7, 8, 9, 10, and 11
- Financial Impact - Minimal to Moderate

Response to Grand Jury Recommendation #8:

The ACO will not waste the taxpayer's money formulating and managing more paperwork that require more staff. The information that is needed is in the reports that are already submitted. The Board has reviewed and approved the Audit Plan. The Audit Plan is based off of identified risk; the Audit Plan defines the audit completion goals, and the Audit findings are listed in each report. The ACO will not spend precious dollars on the development and management of these reports when the information can be extracted from the Audit Plan that is reviewed and submitted to the Board for approval and the final audit summary. At any time the Board can add to the Plan based on risk and urgency. A Dashboard is mere numbers, that are extracted from the audit reports. The Board has the Audit Plan and the Board and the Departments have the Audit Reports. The ACO is not adverse to developing and managing new processes, however there has to be value in it; otherwise it is a waste of taxpayer money and a senseless exercise.
Grand Jury Recommendation #9:

By January 1, 2024, the Board adopt a policy that requires internal audit findings be included in all department leaders' annual performance reviews.
   Based on Findings 3, 5, 9, and 11
   Financial Impact - Minimal

Response to Grand Jury Recommendation #9

The ACO has nothing to do with the department leaders annual performance reviews.

Grand Jury Recommendation #10:

By January 1, 2024, the Board adopt a policy that establishes a Countywide Risk Management Dashboard.
   Based on Findings 3, 4, 6, 7, 8, 9, 10, and 11
   Financial Impact - Moderate to Significant Depending on Implementation

Response to Grand Jury Recommendation #10

See #8 Response.

Grand Jury Recommendation #11:

By January 1, 2024, the County evaluate the financial compensation it provides internal auditors working within the ACO and take the necessary actions to achieve the following:
   • Competitive financial compensation packages for each internal audit job classification level.
   • Enhanced compensation for internal auditors with a "Certified Internal Audit" certification.
   • Enhanced compensation for internal auditors with additional professional certifications in Information Technology and fraud detection.
   • Update Job Descriptions to include Enhanced compensation for Professional Certifications

   Based on Findings 4, 5, and 6
   Financial Impact - Moderate to Significant Depending on Implementation

Response to Grand Jury Recommendation #11:

Not within the Scope of the ACO. The ACO has already defined the issues to Human Resources on many occasions, they are the ones who can make it happen. Compensation discussions have been in the works with HR and the EO. Recently division chiefs were reclassified and received bumps in pay. Discussion continue.
Grand Jury Recommendation #12:

By July 1, 2023, the ACO divide the Audits and Specialized Accounting Division into two
divisions: (1) "Audits" Division and (2) "Specialized Accounting" Division.
Based on Finding 2
Financial Impact - Minimal

Response to Grand Jury Recommendation #12:

Splitting the two Divisions would require another set of supervisors, mid-level managers and
Chief. Yet another cost to the taxpayer. The highly trained Peer Reviewer says:

• "The independence of Internal Audits is not impaired because the individual that
  prepares, reviews and certifies the cost and revenue reimbursement reports does not
  audit them."

The ACO thinks that the Grand Jury have forgotten who we serve – the taxpayer. Why would
the ACO add another layer and another cost to the Department when it is meeting the law
and regulations? Just because the Grand Jury dictates it? The ACO does not serve the Grand
Jury, the ACO serves the people – 2.5 million residents -- and will not fix what is not broken.

Grand Jury Recommendation #13:

By January 1, 2024, the Board adopt a policy that requires the ACO to review and update the
internal audit charter to be in full compliance with the Standards.
Based on Findings 2 and 12
Financial Impact - Minimal

Response to Grand Jury Recommendation #13:

I chose to believe the highly trained, highly technical, and very experienced Peer Reviewer -
David S. Marshall, MBA, CISA, CFE, CFS who says in his report dated March 2022:

• "IA maintains a charter that defines IA duties. The charter is aligned with IIA guidance."
• "Internal Audit’s effectiveness in carrying out its mission as defined in their Charter,
  and in the expectations of those charged with governance. We identified the
department’s audit practices that are operating effectively”.

Summary
One would think that the Grand Jury, after making an assessment that labels their findings as minimal, moderate and significant risk would have something more to offer the public other than to develop “policies.” Policies also require labor to manage and will come at a huge cost in salary and pensions in the end. The ACO prefers to stay focused and not run amok at one-sided biased “recommendations.”

Grand jury recommendations are very valuable in one respect: They demonstrate to the taxpayer just what this Grand Jury was trying to accomplish with:

- The early release of the report- less than 1 week before the election.
- The volatile, unprofessional use of language - “hypocritical”
- The lack of substantive recommendations backed by law versus their personal elementary suggestions.
- Demanding that the auditor controller issue letter grades A-F to each department audited.

**The true intent of this report was:**
- To degrade the staff who out-perform other regional counties.
- A Political hit on the current Auditor Controller because he does not agree with the grand jury’s recommendations.
- Character assassination.

The ACO will take the recommendations of a Certified Auditor firm who conducts professional, qualified assessments, and who has reported as of March 22 that the ACO is in **FULL compliance** with the law and professional standards.

The Grand Jury owes the auditor controller, ACO staff, and the taxpayers an apology for such a misleading, defamatory, and waste of money report.

**The ACO leaves you with the Certified Auditor’s opinion:**

“Our overall conclusion is that the ACO Internal Audit department and its audits are conducted in a manner that is consistent with IIA standards and internal auditing best practices. The department operates in a structured and progressive environment, where the auditing standards are understood, there is compliance with the Code of Ethics, and the audits are well-documented to reflect the work performed. The Internal Audit staff are professional, competent, independent, and objective.”

“The ACO Internal Audit operation “Generally Conforms” to internal auditing professional standards as prescribed by the Institute of Internal Auditors’ “Internal Professional Practices Framework”, and employs many best practices for auditing. ‘Generally Conforms” is the highest ranking” possible.
ASSESSOR’S QUALIFICATIONS

David S. Marshall, MBA, CISA, CFE, CFS Infotech Global/ Corporate Compliance Seminars
dmarshall@infotech-global.com/ 708-205-2366 David S. Marshall is the Founder and Chief Executive Officer of Infotech Global (www.infotech-global.com), a consulting firm specializing in internal auditing, computer security, regulatory compliance, risk management, and fraud prevention and detection. He is also the co-founder of Corporate Compliance Seminars (www.compliance-seminars.com), a NASBA-sponsored training organization that delivers Continuing Professional Education (CPE) to Boards of Directors, Audit Committees, Auditors, Compliance, Accounting and IT professionals. Marshall has managed and performed hundreds of audits, security assessments, fraud investigations and Sarbanes-Oxley Act compliance activities over his 30+ year career. He has researched and developed CPE seminars and trained thousands of professionals. He is the developer of the “Internal Auditing” series of seminars, “Understanding SSAE SOC Audits”, “SOX and COSO Compliance for the External Auditor”, “Frauditing”, “Best Practices for Audit Committees”, “The Art of Audit Report Writing”, “Continuous Auditing”, “World Class ERM”, “Managing Audit Quality”, and many others. Marshall is an authority on designing and implementing internal controls. Prior to Infotech and Corporate Compliance, he headed up the IT Audit Consulting practice of a worldwide Aerospace and Defense corporation, and was a Senior Manager in the Management Consulting and Auditing practice of a “Big 4” accounting firm. Dave Marshall is an expert in internal control, IT, and assessing compliance with the Sarbanes-Oxley Act. Since its ratification in 2002, he has helped numerous companies with all aspects of their Sarbanes-Oxley compliance projects, from project management to the detailed testing of controls. Marshall helps companies implement the COSO’s latest release of the Internal Control Integrated Framework (“COSO ICIF 2.0”), including Enterprise Risk Management (ERM) programs, SSAE SOC audits, SOC Readiness Assessments, and internal control “design, implementation, operation and assessment”. Marshall is an accomplished Business and IT Auditor with global experience in many industries: financial, healthcare, pharmaceutical, IT, manufacturing, retail, distribution, insurance, aerospace & defense, service, education and government. He has helped companies of all sizes...from start-ups to multi-nationals, “improve their business by improving their internal controls”. His unique perspective as a business owner, consultant, financial and manufacturing system designer, enterprise software implementer, auditor, and trainer allow him to make practical, cost-effective recommendations for improving profitability and internal control. He has a Master’s Degree in Business Administration (MBA), is a Certified Information Systems Auditor (CISA), a Certified Fraud Examiner (CFE), and a Certified Fraud Specialist (CFS). Mr. Marshall is the former six-year President and Chairman of the Board of Directors of the Greater Chicago Chapter of the Association of Certified Fraud Examiners (ACFE). He is currently a Board Member of the ACFE Worldwide Advisory Council. He was the Vice Chairman of the International Institute for Outsourcing Management (IIOM) and was a contributor to the Outsourcing Management Body of Knowledge (OMBOK). He was a member of the Advisory Board of a university’s College of Business Administration. He was a Board Director of the Chicago Chapter of the Information Systems Audit and Control Association (ISACA) and was the Technology Committee Chairperson of the Institute of Internal Auditors (IIA) International Conference. He held a
security clearance with the U.S. Department of Defense and worked on classified government projects. Dave Marshall is technically proficient, outgoing, and active in professional associations, charitable organizations and community affairs. He professes to his clients that "you cannot improve what you do not measure" and "internal controls should balance risk, not outweigh it". Internal controls can help organizations achieve their objectives, and Dave is committed to implementing them in a reasonable, cost-effective manner.