

**LOSS OF PUBLIC PROPERTY REPORTED TO INTERNAL AUDIT
7/1/2018 - 6/30/2019**

DEPARTMENT	DESCRIPTION	DATE REPORTED to IA	AMOUNT REPORTED	DISPOSITION	TYPE
Agricultural Commissioner	Lost Phone	2/22/2019	\$26	A County cell phone was lost by an employee. A remote wipe command was issued. The phone was not recovered.	Lost/Stolen Property
Board of Supervisors	Improper Credit Card Charges	3/14/2019	\$92	Duplicate charges made on department credit card. The statute of limitations to dispute the charges expired prior to the department becoming aware of the duplicate charges.	Lost/Stolen Property
Child Support Services	Lost Microsoft Surface Pen	8/15/2019	\$68	A stylus pen assigned to an employee was lost. The department was unable to locate the pen.	Lost/Stolen Property
District Attorney	Stolen Laptop	7/5/2019	\$775	A County laptop was stolen from an employee's personal vehicle. The department contacted General Services Information & Communications Technology and followed the "Device Loss Procedure." The department also reported the incident to law enforcement.	Lost/Stolen Property
General Services	Fraudulent Time Reporting	12/12/2018	\$554	Employee falsified documentation and fraudulently coded callback time. The individual is no longer employed by the County. Department staff has implemented additional internal controls over timekeeping subsequent to this incident. Internal Audit anticipates issuance of its internal control assessment in November 2019.	Fraud
	Improper Vehicle Use*	3/20/2019	Unknown	An employee used an assigned vehicle to commute to and from work. The individual is no longer employed by the County. Department is working to implement controls over use of county vehicles.	Fraud
Human Resources	Improper Credit Card Charges	10/4/2018	\$404	Improper charges on department credit card. The department has since created and implemented a credit card policy, improving internal controls over credit card usage.	Lost/Stolen Property
Probation	Missing iPad	7/6/2018	\$259	An iPad was identified as missing after an inventory of equipment at Santa Maria Juvenile Hall. The device was used by youth at the facility and contained no sensitive information.	Lost/Stolen Property
Public Health	Animal Shelter Pet Stolen	7/19/2018	Unknown	A snake was stolen from the Lompoc Animal Shelter. The value is undetermined since the snake was captured from the wild. Law enforcement was contacted. Video surveillance reviewed by the department was inconclusive.	Lost/Stolen Property
	Missing Controlled Substances	10/9/2018	\$5	Euthanasia controlled substances went missing from Animal Services. The loss was investigated by the department and reported to the Drug Enforcement Administration. As a result of the investigation the controlled substances policy was updated to improve existing controls and implement new controls to prevent similar losses in the future.	Lost/Stolen Property

* This item was also communicated to ACO via the Whistleblower Hotline

**LOSS OF PUBLIC PROPERTY REPORTED TO INTERNAL AUDIT
7/1/2018 - 6/30/2019**

DEPARTMENT	DESCRIPTION	DATE REPORTED to IA	AMOUNT REPORTED	DISPOSITION	TYPE
Public Health (Continued)	Security Breach	10/9/2018	Unknown	A physician's active directory credentials were compromised after a phishing attack. The department disabled affected users' accounts, their personal computers, and removed the computers from the network. After evaluation, it was determined the website did not download any virus and a forced password reset domain wide would mitigate the risk of any additional accounts that may have been compromised. Department staff received targeted training on HIPAA Privacy and Security. Required notification letters were mailed to clients whose information was compromised.	Security Breach
	Counterfeit Bill	12/12/2018	\$100	Environmental Health Services accepted a \$100 counterfeit bill. Counterfeit measures contained in department policies were reviewed with staff.	Fraud
Public Works	Stolen Equipment	9/26/2018	\$5,000	Equipment was stolen from the Lompoc Road Yard. The theft also resulted in damage to perimeter fencing and a garage on the premises. The department reported the incident to law enforcement. Existing security measures were upgraded to prevent similar losses in the future.	Lost/Stolen Property
	Customer Undercharge	4/4/2019	\$300	A transfer station employee knowingly undercharged a customer on six occasions. The individual is no longer employed by the County. The department is working with the software vendor to update the system and prevent manipulation by employees. Additionally, a management review process was implemented on a regular basis to detect and investigate unusual transactions.	Fraud
Sheriff	Lost Phone	5/28/2019	\$100	A County cell phone was lost by an employee. A remote wipe command was issued. The phone was not recovered.	Lost/Stolen Property
	Improper Custodial Disbursement	5/22/2019	\$89	An incoming inmate's funds were erroneously issued to another inmate. The County reimbursed the loss. Internal Audit followed up and made recommendations to the department to update policies and strengthen internal controls over inmate custodial funds.	Lost/Stolen Property
Social Services	Stolen Gas Cards	11/20/2018	\$155	Six gas cards identified as missing. A freeze was placed on the missing cards which still had balances. The company provided dates, locations, and amounts spent on the missing cards prior to the freeze being placed. Department staff obtained video footage from one of the locations and was able to identify an employee using one of the missing cards. The individual is no longer employed by the County. The department updated policies to include improved internal controls over gas cards.	Fraud

**LOSS OF PUBLIC PROPERTY REPORTED TO INTERNAL AUDIT
7/1/2018 - 6/30/2019**

DEPARTMENT	DESCRIPTION	DATE REPORTED to IA	AMOUNT REPORTED	DISPOSITION	TYPE
Social Services (Continued)	Welfare Fraud	4/17/2019	\$924	Three foster care warrants were fraudulently cashed by an unknown subject. An investigation was performed by the District Attorney Welfare Fraud Unit. The warrants were subsequently reissued. Internal Audit contacted Social Services to gain an understanding of their process for recouping lost funds due to fraudulently cashed warrants, and made recommendations for updates to their policy. The funds were not recovered.	Fraud
	Welfare Fraud	8/21/2019	\$240	A warrant sent to a landlord for the benefit of an individual was fraudulently cashed by the beneficiary. The department was unable to recover funds from the beneficiary, and reissued a check to the landlord, incurring a loss of \$240. The department has implemented changes to warrant design to mitigate risk of future loss.	Fraud
Treasurer-Tax-Collector	Counterfeit Bill	6/6/2019	\$100	The Treasurer-Tax-Collector received a \$100 counterfeit bill that bypassed detection controls. The department appears to have sufficient counterfeit detection controls established to mitigate the risk of future loss. In addition, the department updated cashing policies to reflect the current practice for identifying counterfeits.	Fraud
Various	Cyber Security Incident	12/12/2018	\$650,000**	Countywide malicious email attack which resulted in malware on hundreds of County computers in various departments. Steps taken in response to the incident included: requiring password resets, reimaging computers and blocking known command and control sites. No data loss was identified as a result of this attack. General Services contracted with two vendors to perform forensic analysis, remediate potential vulnerabilities, and conduct a county-wide IT security assessment. Insurance covered vendor costs in excess of the \$50,000 deductible.	Security Breach

**\$410,000 in Salaries/Benefits and \$240,000 in Consultants estimated costs