VENTURA COUNTY EMPLOYEES’
RETIREMENT ASSOCIATION

REPORT TO THE BOARD OF RETIREMENT

FOR THE FISCAL YEAR ENDED JUNE 30, 2020
# VENTURA COUNTY EMPLOYEES’ RETIREMENT ASSOCIATION

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REQUIRED COMMUNICATION TO THE BOARD OF RETIREMENT IN ACCORDANCE WITH PROFESSIONAL STANDARDS (SAS 114)

To the Board of Retirement of
Ventura County Employees’ Retirement Association
Ventura, California

We have audited the basic financial statements, the Schedule of Cost Sharing Employer Allocations, and the Schedule of Employer Pension Amounts Allocated by Cost Sharing Plan total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense excluding that attributable to employer-paid member contributions, specified column totals (other information) of Ventura County Employees’ Retirement Association (VCERA) as of and for the fiscal year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 16, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by VCERA are described in Note 1, Summary of Significant Accounting Policies, to the basic financial statements. As described in Note 1 to the basic financial statements, VCERA implemented Governmental Accounting Standards Board (GASB) Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, during the fiscal year ended June 30, 2020. We noted no transactions entered into by VCERA during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the basic financial statements were:

Management’s estimate of the fair value of investments was derived by various methods as detailed in Note 1, Summary of Significant Accounting Policies, and Note 3, Investments. We evaluated the key factors and assumptions used to develop the estimate of the fair value of investments in determining that it is reasonable in relation to the basic financial statements taken as a whole.
The estimates of the contribution amounts and net pension liability as detailed in Note 1, Summary of Significant Accounting Policies, Note 4, Net Pension Liability of Participating Employers, and Note 5, Contributions, are based on the actuarially-presumed interest rate and assumptions. We evaluated the key factors and assumptions used to develop the estimates of the contribution amounts and net pension liability in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Certain basic financial statement disclosures are particularly sensitive because of their significance to basic financial statement users. The most sensitive disclosures affecting the basic financial statements were:

The disclosures for deposits and investments in Notes 1 and 3 to the basic financial statements, Summary of Significant Accounting Policies and Investments, respectively, were derived from VCERA’s investment policy. Management’s estimate of the fair value of investments was derived by various methods as detailed in the notes.

Additionally, the disclosures related to funding policies, net pension liability, and actuarial assumptions in Notes 4 and 5 to the basic financial statements, Net Pension Liability of Participating Employers and Contributions, respectively, were derived from the actuarial valuations, which involved estimates of the value of reported amounts and probabilities about the occurrence of events far into the future.

The basic financial statement disclosures are neutral, consistent, and clear.

**Difficulties Encountered in Performing the Audit**
We encountered no significant difficulties in dealing with management in performing and completing our audit.

**Corrected and Uncorrected Misstatements**
Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached material adjustment detected as a result of audit procedures was corrected by management and was the result of the last quarter final values not being available (lag in reporting) by the time VCERA closed the books.

**Disagreements with Management**
For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

**Management Representations**
We have requested certain representations from management that are included in the Management Representation Letter dated December 18, 2020.

**Management Consultations with Other Independent Accountants**
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to VCERA’s basic financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

**Other Audit Findings or Issues**
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as VCERA’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Other Matters

We applied certain limited procedures to the Management’s Discussion and Analysis, Schedule of Changes in Net Pension Liability of Participating Employers, Schedule of Employer Contributions, Schedule of Investment Returns, and Latest Actuarial Valuation of Plan Assets and Liabilities, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Administrative Expenses, Schedule of Investment Expenses, and Schedule of Payments to Consultants, which accompany the basic financial statements but are not RSI. With respect to this other supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the other supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves. In our opinion, the other supplementary information is fairly stated, in all material respects, to the basic financial statements as a whole.

We were not engaged to report on the introductory, investment, actuarial, and statistical sections, which accompany the basic financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Retirement and management of Ventura County Employees’ Retirement Association and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Bakersfield, California
December 18, 2020
VCERA  
SUMMARY OF CORRECTED MATERIAL MISSTATEMENT  
June 30, 2020

<table>
<thead>
<tr>
<th>Increase in Fiduciary Net Position (in 000's)</th>
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<tbody>
<tr>
<td>Known Audit Difference:</td>
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<tr>
<td>Difference from timing of alternative fair value reporting</td>
</tr>
<tr>
<td>Total Corrected Material Misstatement</td>
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INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Retirement of Ventura County Employees’ Retirement Association
Ventura, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Ventura County Employees’ Retirement Association (VCERA), a pension trust fund for the County of Ventura, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise VCERA’s basic financial statements, the Schedule of Cost Sharing Employer Allocations as of June 30, 2020; and the Schedule of Employer Pension Amounts Allocated by Cost Sharing Plan total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense excluding that attributable to employer-paid member contributions, specified column totals (other information) as of and for the fiscal year ended June 30, 2020, and have issued our report thereon dated December 18, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the basic financial statements and other information, we considered VCERA’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements and other information, but not for the purpose of expressing an opinion on the effectiveness of VCERA’s internal control. Accordingly, we do not express an opinion on the effectiveness of VCERA’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of VCERA’s basic financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.
Compliance and Other Matters

As part of obtaining reasonable assurance about whether VCERA’s basic financial statements and other information are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the basic financial statement and other information. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of VCERA’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering VCERA’s internal control and compliance. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Bakersfield, California
December 18, 2020
AGREED UPON CONDITIONS REPORT DESIGNED TO INCREASE EFFICIENCY, INTERNAL CONTROLS, AND/OR FINANCIAL REPORTING (MANAGEMENT LETTER)

To the Board of Retirement of
Ventura County Employees’ Retirement Association
Ventura, California

In planning and performing our audit of the basic financial statements, the Schedule of Cost Sharing Employer Allocations, and the Schedule of Employer Pension Amounts Allocated by Cost Sharing Plan total for all entities of the columns titled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense excluding that attributable to employer-paid member contributions, specified column totals (other information) of Ventura County Employees’ Retirement Association (VCERA) as of and for the fiscal year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered VCERA’s internal control structure over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of VCERA’s internal control. Accordingly, we do not express an opinion on the effectiveness of VCERA’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of VCERA’s basic financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that might be material weaknesses. However, material weaknesses may exist that have not been identified.

However, during our audit we became aware of matters that are opportunities for strengthening of internal controls and operations efficiency. The recommendations listed in this report summarize the comments and suggestions regarding these matters.

We will review the status of these comments during our next audit engagement. We have already discussed the comments and suggestions with various VCERA personnel, and we will be pleased to discuss these in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.
Current Year Conditions and Recommendations

A. Financial Observations

**Condition 2020-1 – Participant Data - Incorrect Age Factor**

During our testing of retired participants, we noted one (1) out of forty (40) samples tested had an incorrect age factor. We were able to confirm the error by recalculating the participant’s age at retirement to obtain the age factor published in the County Employees Retirement Law of 1937 (CERL). The age factor being used to calculate the participant’s benefit in VCERA’s pension administration system (V3) did not agree with the age factor in the CERL. It was noted that this participant retired during VCERA’s legacy system prior to implementation of V3.

**Recommendation**

We recommend VCERA query the correct benefit payment and take action to correct the participant’s benefits. In addition, perform a query of participants that could have been affected during the conversion of the legacy system.

**Management Response**

Prior to V3, VCERA used an Excel-based Retirement Allowance Program (VRAP) for benefit calculations that was created and maintained by the actuary. When calculating member benefits, staff would enter the date of retirement and member’s date of birth and the VRAP was configured to apply the appropriate age factor in the calculations. In the instance of the member identified, VCERA determined that there was a typographical error in the age factor table for the Tier 1 Safety plan in VRAP. VCERA has queried all Tier 1 Safety retirees who retired at age 54 and the query identified 12 additional impacted retired members. Staff is currently analyzing each calculation, and once the analysis is complete, VCERA will recalculate benefits and generate retroactive payments for each member impacted. Staff also will be querying all deceased members with the same parameters, and if any are identified, the beneficiaries will be paid any amounts due.

B. Financial Systems Observations

**Condition 2020-2 – Strong password requirements within the Active Directory**

During our review of the password requirement settings within VCERA’s Active Directory, it was noted no minimum password age has been configured within Active Directory and complexity requirements are disabled within Active Directory. The following were noted:

<table>
<thead>
<tr>
<th>Requirement Description</th>
<th>“Master Information Technology Security Policy” Requirement</th>
<th>Active Directory Setting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Password Length</td>
<td>6 alphanumeric characters</td>
<td>8 characters</td>
</tr>
<tr>
<td>Password expires (aging)</td>
<td>120 days</td>
<td>120 days</td>
</tr>
<tr>
<td>Minimum password age</td>
<td>Not specified</td>
<td>0 days</td>
</tr>
<tr>
<td>Complex passwords</td>
<td>Not specified</td>
<td>Disabled</td>
</tr>
<tr>
<td>Password History (# of passwords that can’t be reused)</td>
<td>Systems will be configured to disallow re-use of passwords for 5 generations</td>
<td>12 passwords remembered</td>
</tr>
<tr>
<td>Account lockout after X number of failed attempts</td>
<td>5 or less incorrect password attempts</td>
<td>5 invalid logon attempts</td>
</tr>
<tr>
<td>Duration of account lockout</td>
<td>Minimum of 15 minutes</td>
<td>15 minutes</td>
</tr>
</tbody>
</table>

*Weak requirements are noted by blue text.*
Recommendation

It is recommended that VCERA management examine the password requirements currently enforced by the County's Active Directory system and evaluate the possibility of requesting a customized password policy that enforces complexity requirements and requires a minimum password age of greater than zero days. Management may wish to consider implementing alternative requirements, however, such as those based on currently-emerging NIST-recommended password requirements, as deemed appropriate.

Management Response

The “New County of Ventura - Minimum Password Complexity Requirements for Active Directory/Office 365” policy (which was drafted by VCERA’s CTO and approved by the County of Ventura's Business Technology Committee) is waiting on final approval from the County of Ventura's Information Technology Committee in January 2021. This policy has increased minimum requirements which include complex passwords and a minimum password age of 1 day. Upon approval of this policy, these requirements will be implemented on all VCERA active directory accounts.

C. Business Process Improvement Observations (IT Controls Only)

Condition 2020-3 – Formalized IT risk assessments are not conducted on an annual basis

The Retirement Administrator works with VCERA staff to assess high-level IT-related risks as part of VCERA’s annual Business Plan. However, such assessments are not performed using a comprehensive or formal methodology, and do not include all areas of IT-related risk; a complete and formal risk assessment of IT-related risk has not been conducted. This increases the possibility that VCERA management might be unaware of potential IT-related risks that may prevent the organization from fulfilling its financial reporting requirements and/or performing its day-to-day business processes effectively.

Recommendation

It is recommended that VCERA perform a full IT risk assessment, including an evaluation of its control activities as they relate to significant applications that support VCERA’s financial reporting procedures. These assessments should include all areas of IT risk, including those not pertaining to cybersecurity. The IT risk assessment should result in a comprehensive IT risk matrix that lists all known IT risks and the actions and/or activities that VCERA performs to mitigate the risks. If feasible, VCERA should conduct the process of evaluating IT-related risks on an annual basis to ensure that any new IT-related risks associated with changes to the IT environment and IT staffing, as well as any that may have been missed in prior year assessments, are identified and addressed. We acknowledge that VCERA may need additional time to make significant progress towards implementing mitigating controls following their initial assessment, such that a follow-up risk assessment may or may not take place the following year. If considered appropriate, given the size of the organization and limited in-house IT staff, VCERA may want to consider outsourcing the risk assessment to a third-party with knowledge of similar organizations and who can assist VCERA in identifying and evaluating significant risks and developing cost-effective solutions to address these areas.

Management Response

VCERA implemented penetration and vulnerability testing for VCERA’s network and member portal to be conducted annually. Additional security assessments can be added to the engagement to include evaluation of VCERA’s financial system if desired. A formal IT risk assessment of business practices will need to be developed by the CTO with input and guidance by Gartner to ensure that all areas of the IT risk assessment are thoroughly vetted and complement VCERA’s business plan.
Status of Prior Year Conditions and Recommendations

A. Financial Systems Observations

**Condition 2019-1 – Strong password requirements within the Active Directory and V3 systems**

During our review of the password requirement settings within VCERA’s Active Directory and V3 systems, it was noted that the requirements configured within V3 have been recently updated to ensure that they meet or exceed the requirements specified by the County’s “Master Information Technology Security Policy,” which has been adopted by VCERA as its own information security policy. However, no minimum password age has been configured within Active Directory or V3, and complexity requirements are disabled within Active Directory. The following were noted:

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<tr>
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<th>“Master Information Technology Security Policy” Requirement</th>
<th>Active Directory Setting</th>
<th>V3 Setting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Password Length</td>
<td>6 alphanumeric characters</td>
<td>8 characters</td>
<td>At least 8 characters</td>
</tr>
<tr>
<td>Password expires (aging)</td>
<td>120 days</td>
<td>120 days</td>
<td>120 days for employee users; 180 days for self-service users</td>
</tr>
<tr>
<td>Minimum password age</td>
<td>Not specified</td>
<td>0 days</td>
<td>Not configured</td>
</tr>
<tr>
<td>Complex passwords</td>
<td>Not specified</td>
<td>Disabled</td>
<td>Must contain at least one alphabetical character, one number, and at least one special character</td>
</tr>
<tr>
<td>Password History (# of passwords that can’t be reused)</td>
<td>Systems will be configured to disallow re-use of passwords for 5 generations</td>
<td>12 passwords remembered</td>
<td>5 passwords remembered</td>
</tr>
<tr>
<td>Account lockout after X number of failed attempts</td>
<td>5 or less incorrect password attempts</td>
<td>5 invalid logon attempts</td>
<td>5 incorrect attempts for employee users; 3 incorrect attempts for self-service users</td>
</tr>
<tr>
<td>Duration of account lockout</td>
<td>Minimum of 15 minutes</td>
<td>15 minutes</td>
<td>Until manually unlocked</td>
</tr>
</tbody>
</table>

*Weak requirements are noted by blue text.*

**Recommendation**

It is recommended that VCERA work with the V3 system’s software provider in order to implement the ability to enforce a minimum password age within the system. Once implemented, it is recommended that this setting is configured to enforce a minimum password age of greater than zero days so as to ensure that the system’s password history requirement cannot be easily circumvented.

Management should also examine the password requirements currently enforced by the County’s Active Directory system and evaluate the possibility of requesting a customized password policy that enforces complexity requirements and requires a minimum password age of greater than zero days. Management may wish to consider implementing alternative requirements, however, such as those based on currently-emerging NIST-recommended password requirements, as deemed appropriate.

**Management Response**

VCERA has implemented a custom enhancement in V3 to enable minimum password age (greater than 0). The minimum password age has been configured to 1 day for both the line of business and member portal.
Regarding Active Directory passwords, VCERA cannot change the County master security policy; but if deemed necessary, VCERA could implement our own policy. VCERA's CTO alongside the County of Ventura's Business Technology Committee (BTC) drafted a password policy that identifies minimum password requirements based off of current industry standards. VCERA's CTO will be presenting this policy to the County of Ventura's Information Technology Committee (ITC) and, if approved, will be implemented in early 2020.

Current Year Status

Partially implemented. Refer to current year condition, 2020-2.

B. Business Process Improvement Observations (IT Controls Only)

Condition 2019-2 – Formalized IT risk assessments are not conducted on an annual basis

The Retirement Administrator works with VCERA staff to assess high-level IT-related risks as part of VCERA’s annual Business Plan. However, such assessments are not performed using a comprehensive or formal methodology, and do not include all areas of IT-related risk; a complete and formal risk assessment of IT-related risk has not been conducted. This increases the possibility that VCERA management might be unaware of potential IT-related risks that may prevent the organization from fulfilling its financial reporting requirements and/or performing its day-to-day business processes effectively.

Recommendation

It is recommended that VCERA perform a full IT risk assessment, including an evaluation of its control activities as they relate to significant applications that support VCERA’s financial reporting procedures. These assessments should include all areas of IT risk, including those not pertaining to cybersecurity. The IT risk assessment should result in a comprehensive IT risk matrix that lists all known IT risks and the actions and/or activities that VCERA performs to mitigate the risks. If feasible, VCERA should conduct the process of evaluating IT-related risks on an annual basis to ensure that any new IT-related risks associated with changes to the IT environment and IT staffing, as well as any that may have been missed in prior year assessments, are identified and addressed. We acknowledge that VCERA may need additional time to make significant progress towards implementing mitigating controls following their initial assessment, such that a follow-up risk assessment may or may not take place the following year. If considered appropriate, given the size of the organization and limited in-house IT staff, VCERA may want to consider outsourcing the risk assessment to a third-party with knowledge of similar organizations and who can assist VCERA in identifying and evaluating significant risks and developing cost-effective solutions to address these areas.

Management Response

County IT performs routine penetration testing and vulnerability scanning of the County infrastructure. The VCERA’s vulnerability scanning reports are reviewed by the CTO. Vitech performs routine vulnerability scans and penetration testing of VCERA’s hosted environment. The CTO is reviewing VCERA’s infrastructure to identify areas of potential risk that will need to be assessed semi-annually either by the CTO, a third-party or a combination of both.

County IT performs routine penetration testing and vulnerability scanning of the County infrastructure. The VCERA’s vulnerability scanning reports are reviewed by the CTO. Vitech performs routine vulnerability scans and penetration testing of VCERA’s hosted environment. The CTO has requested results of Vitech’s vulnerability scan as well as County’s. Both entities indicated they would provide the reports, but they have not yet been received. The CTO is working on gathering detailed information to develop a more standardized risk assessment policy; based off the current and future security scanning for us and County IT and Vitech. More in-depth review and implementation will be implemented after VCERA IT staff are hired.
Current Year Status

Refer to current year condition 2020-3.

**Condition 2019-3 – Access to G drive**

During our audit procedures, we noted VCERA’s access to the County’s G drive is not restricted. Although some folders are restricted, users of the drive are able to add and delete files. As VCERA is starting to go paperless, the G drive is utilized more frequently to store documents. While the County performs nightly backups, there could be files deleted during the day and lost work for that day.

**Recommendation**

Users of the drive can inadvertently delete critical files. We recommend VCERA implement a policy and coordinate with the County regarding access controls to the G drive.

**Management Response**

The G drive’s permissions are managed by Active Directory, security groups, with more restrictive permissions set on some folders. All files on the G drive are backed up nightly and previous versions is enabled, which allows for documents to be reverted back to a previously saved version. Additionally, file level auditing (which records details on additions, deletions, modifications and moves for all files and folders) has been configured and activity is retained for up to 6 months. The CTO is reviewing the current security groups and permissions to determine if stricter access is required.

The CTO has identified specific folders that required special permissions and adjusted those. The CTO will be reviewing the current security groups and permissions to determine if stricter access is required after VCERA IT staff is hired.

**Current Year Status**

Implemented.

**Restriction on Use**

This information is intended solely for the use of the Board of Retirement and management of Ventura County Employees’ Retirement Association and is not intended to be, and should not be, used by anyone other than these specified parties.