



**Ensen Mason CPA, CFA**  
**Auditor-Controller/  
 Treasurer/Tax Collector**  
 SAN BERNARDINO COUNTY

# AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR TEN-YEAR REPORT OF CONSOLIDATION IMPROVEMENTS AND DIVISION ACCOMPLISHMENTS



Over the course of the past decade, ATC has transitioned from three locations to one location, focusing on taxpayer service and operational transparency.





# EXECUTIVE MANAGEMENT TEAM



ATC Mason's Executive Management Team has over 400 years of combined expertise in accounting; finance; information technology; law; auditing of County departments, offices, districts and special districts; private firm and public agency leadership; private and public strategic investing and money management; tax collection; accurate processing and disbursing of County employee wages and payroll related taxes; property tax apportionment and redevelopment successor entity fund management. ATC leadership has the power and expertise to effectively serve the people of San Bernardino!

## MISSION STATEMENT

The Office of the Auditor-Controller/Treasurer/Tax Collector processes, safeguards, and provides information regarding County financial activities, manages the County Treasury pool; collects and distributes property taxes and other obligations owned to County agencies and courts with integrity, independent judgment, and courteous, outstanding services that is accessible to citizens, businesses, and other public agencies. We are accurate, fair, timely and innovative in the use of technology to enhance services throughout the County.



## **ENSEN MASON CPA, CFA**

AUDITOR-CONTROLLER / TREASURER / TAX COLLECTOR

San Bernardino County Auditor-Controller/Treasurer/Tax Collector (ATC) Ensen Mason was elected in June 2018 after a 30-year career as a local Certified Public Accountant (CPA) and Investment Adviser. He has prepared over 10,000 individual and business income tax returns and has 15 years of experience in financial planning and investment management. Mr. Mason is both a CPA and a Chartered Financial Analyst (CFA). He is an Enrolled Agent with the Internal Revenue Service and holds a Master's Degree in Business Administration (MBA), with an emphasis in finance from the University of Redlands.

In his role as Auditor-Controller/Treasurer/Tax Collector, Mr. Mason oversees 329 employees in directing the financial affairs of the County and managing an investment pool of over \$7 billion. He also is an ex officio member on the San Bernardino County Employees' Retirement Association Board of Retirement and helps manage their more than \$10 billion portfolio of investments. As Auditor, he is the fiscal watchdog for the County in ensuring taxpayer dollars are spent without waste, fraud or abuse. As Controller, he ensures that funds are spent properly and efficiently. As Treasurer, he supports taxpayers and County employees by ensuring their investment dollars receive the highest return safely possible. Finally as Tax Collector, he collects all tax monies owed fairly and compassionately while providing taxpayers with full due process rights and affording them every opportunity to pay taxes conveniently and easily.

Mr. Mason is an avid pilot, an active member of Kiwanis, and the proud father of Travis. He is a former elected school board member and resides with his son in Redlands.



## **DOUGLAS R. BOYD SR., ESQ.**

ASSISTANT AUDITOR-CONTROLLER / TREASURER /  
TAX COLLECTOR

Mr. Boyd is a California licensed attorney of over 35 years' experience in the areas of state and local taxation, criminal law, governmental law and administrative law in both the public and private sectors. He also served as a senior staff member to two state legislators, a congressman, and San Bernardino County Supervisor Curt Hagman, Chief of Staff to a member of the State Board of Equalization, and as Chief Deputy Assessor of Los Angeles County.

Mr. Boyd holds a Bachelor's Degree in History from the University of Maryland, a Master's Degree in Public Administration from Pepperdine University and a Juris Doctorate Degree from Loyola Law School. He earned all of them in night school while working full time during the day. He is currently appointed by the Board of Supervisors to be their representative on the San Bernardino County Law Library Board of Trustees and was a Judge Pro Tempore for the Los Angeles County Superior Courts for 20 years.

He served three years overseas in the early 1970's as a Sergeant in the U.S. Air Force, and was awarded the Air Force Commendation Medal, Good Conduct Medal, Vietnam Service Medal, Vietnam Campaign Medal and other decorations.



## **TORI ROBERTS CPA**

ASSISTANT AUDITOR-CONTROLLER / TREASURER /  
TAX COLLECTOR

Ms. Roberts is a California-licensed CPA with almost nine years of experience in public accounting. Most recently, she was an Assurance Manager with Crowe LLP, where she served clients in a wide array of industries, including state and local government agencies, transportation agencies, joint powers authorities, special districts, and not-for-profit organizations.

Ms. Roberts possesses extensive experience researching and consulting on technical matters pertaining to Uniform Guidance, accounting and financial reporting matters for GASB and FASB, contract compliance,

and other emerging accounting and financial reporting matters. She has managed and supervised large and complex projects involving financial statement audits, federal compliance audits, and attestation engagements for multiple governments throughout California and Nevada.

Ms. Roberts holds a Bachelor of Science in Business Administration with a concentration in Accounting from California State University, San Bernardino.

# ATC CONSOLIDATION OVERVIEW

In 2009, following the retirement of San Bernardino County Treasurer-Tax Collector Dick Larsen, CAO staff members approached County Auditor-Controller Larry Walker with the suggestion that he consider leading a consolidated office combining both departments. The County of San Bernardino was in the grip of a deep recession, and reducing expenditures and increasing efficiency were high priorities for County leadership. Mr. Walker agreed to lead a consolidated office. On January 26, 2010, the Board of Supervisors approved the consolidation of the Auditor-Controller and Treasurer-Tax Collector to create the Auditor-Controller/Treasurer/Tax Collector (ATC).

As a combined office, ATC has produced overhead savings of \$11,873,877 during budget years 2009-10 through 2019-20. A net 19 positions were eliminated in the 2009-10 final budget as a result of the consolidation through efficiencies and economies of scale. ATC also has experienced an improved decision-making process with fewer delays and better coordination between divisions. We are entering the new decade with high morale, a clear sense of mission, and a shared desire to excel in service to the taxpayers of San Bernardino County!

The San Bernardino County Board of Supervisors unanimously passed this official County Resolution on January 7, 2020 commending a decade of excellence of the ATC Department in service to the taxpayers of San Bernardino County and in recognition of ATC Ensen Mason's outstanding leadership.



The following report illustrates efficiencies by division throughout ATC as a result of the consolidation.

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# AUDITOR

DENISE MEJICO | CHIEF DEPUTY AUDITOR

Denise Mejico has served as ATC Chief Deputy Auditor since June 2013. Denise began her career in 1999 as an accountant with Orange County Auditor-Controller. She joined the San Bernardino County Auditor-Controller's Office in 2005 as Accounts Payable Manager. She subsequently served as Internal Audits Manager and Chief Deputy, Disbursements. Denise holds a B.S. degree in Accounting from Cal Poly Pomona.

## DIVISION OVERVIEW

The Internal Audits Section (IAS) of the Auditor-Controller/Treasurer/Tax Collector performs operational and compliance audits of departments, offices, agencies and special districts governed by the Board of Supervisors. As a result of these audits, IAS evaluates internal controls, assesses business risks and provides management with objective appraisals as to the status of operations of the audited organizations, making constructive recommendations to add value and to improve operations. Additionally, IAS works with County departments to ensure that state and federal reporting is timely and accurate. IAS ensures that the Special Districts Financial Transactions Reports and Government Compensation in California reports are submitted to the State Controller's Office annually, coordinates all external audits including those over the Comprehensive Annual Financial Report (CAFR), Special Districts, Component Units and other County agencies and coordinates the Single Audit required by Uniform Guidance of all federal award expenditures of the County, including compiling the Schedule of Expenditures of Federal Awards. The County of San Bernardino received approximately \$700 billion dollars in federal funding in FY2019, which was expended among 161 federal programs that must all be accounted for and reported within the County's Single Audit.

# IMPROVEMENTS &

## **CONSOLIDATION IMPROVEMENTS:**

- Streamlined operations with the use of technology to be more efficient in completing County audits with the implementation of Teammate in 2007, which is used for electronic audit work papers and the tracking and monitoring of the different phases of staff's audit work plan.
- Streamlined audit process and reduced the use of paper in the division.
- Allows for more audits with less staff. In FY 09/10 the Internal Audits Division completed 33 reports with a staff of eleven auditors. In FY 18/19 the Internal Audits Division completed 42 reports with a staff of eight auditors.
- Allows staff to verify that controls over County assets are working and improve the controls that are not.

## **DIVISION ACCOMPLISHMENTS:**

- Internal Audits Division completed 42 audit reports during FY2019.
- Received and processed 117 reports of wrongdoing through the Auditor-Controller/Treasurer/Tax Collector's Fraud, Waste, and Abuse Hotline, 9 of which were found to be sustained.

## **INDEPENDENCE OF AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR'S INTERNAL AUDITS SECTION**

The County of San Bernardino is the fifth largest county in the State of California. Of the five largest counties, San Bernardino County is the only county that consolidates the functions of the Auditor, Controller, Treasurer, and Tax Collector into one county department, the Office of the Auditor-Controller/Treasurer/Tax Collector (ATC). ATC's management recognizes that a department which administers operations encompassing collections, disbursements, financial reporting, and internal audits requires a commitment to best practices and adherence to professional standards, which will both prevent inappropriate overlap of duties and responsibilities, as well as ensure operational independence among the related divisions of the Department.

# **ACCOMPLISHMENTS**

## **INDEPENDENCE OF AUDITOR-CONTROLLER/TREASURER/ TAX COLLECTOR'S INTERNAL AUDITS SECTION (CONTINUED)**

The Auditor Division is one of nine divisions of the ATC. The executive management oversight structure of the ATC is as follows:

- The Treasurer Division reports to the elected ATC, Ensen Mason, CPA, CFA.
- The Auditor, SAP Center of Excellence, Disbursements, and Controller Divisions report to Assistant ATC, Tori Roberts, CPA.
- The Tax Collector, Property Tax, Information Technology, Central Collections Divisions, and the Administration Section report to Assistant ATC, Douglas R. Boyd, Sr., Esq.

### **AUTHORITY OF OVERSIGHT OF THE COUNTY AUDITOR**

Government Code (GC) Sections 26881 and 26883, and the County Charter Article V, Section 6, give the county Auditor-Controller authority to audit the accounts and records of any department, office, board or institution under the board of supervisors' control. As authorized by GC Section 1236, the county internal audit activity follows the audit standards prescribed by The Institute of Internal Auditors' (IIA) International Standards for the Professional Practice of Internal Auditing.

Because of the broad range of functions administered by ATC, the following safeguards have been put in place to maintain Audit independence in accordance with professional standards:

#### **1. External Assessments**

An external assessment of the Internal Audit Activity is conducted by a qualified external assessment team from outside of the County, as required by the International Professional Practices Framework (IPPF or the Standards).

The most recent external assessment report, dated July 31, 2015, covered the five years ended June 30, 2014. The results of the external assessment found that the County's Internal Audits Section (IAS) within ATC had a charter, policies, and processes, which were considered to be in conformance with the Standards. Specifically, the external assessment report found conformance with both the independence and objectivity standards.

The next external assessment will cover the five years ended June 30, 2019. The anticipated completion and issuance of the external assessment report is June 2020.

#### **2. Segregation of Monitoring Activities Within ATC**

IAS does not perform audits or monitoring of activities of functions within normal operations of ATC. For example, when independent monitoring or audits are required for any division of ATC, IAS will outsource the project to an independent third party, such as an external audit firm, to avoid auditing itself. In order to maintain independence, IAS will refrain from auditing organizational divisions within ATC. This includes the annual financial statement audit of the comprehensive annual financial report (CAFR), agreed upon procedures for the Certified Statement of Assets Transferred for the elected ATC (item 3 below), audits of the Treasurer Division, and internal control evaluation/assessments of any other division of ATC.

## Segregation of Monitoring Activities Within ATC (Continued)

Additionally, ATC removed all non-audit related operational responsibilities from the Chief Deputy Auditor, and effective October 26, 2019, the Chief Deputy Auditor reports directly to the Assistant ATC.

### 3. Certified Statement of Assets Transferred for Elected Auditor-Controller/Treasurer/Tax Collector

Article V, Sections 1 and 8, of the County of San Bernardino Charter require the elected ATC to file a Certified Statement of Assets Transferred upon assuming office. IAS engaged an independent third party to perform Agreed Upon Procedures engagement to determine, principally, whether the Certified Statement of Assets Transferred was complete and accurate, and supported by appropriate underlying records. The agreed upon procedures were conducted most recently by an external audit firm, upon ATC Mason assuming office. The report is dated January 23, 2019. See Attachment A.

### 4. Fraud, Waste, and Abuse (FWA) Reports Investigation and Response

Government Code Section 53087.6 authorizes an elected county Auditor or Controller to maintain a whistleblower hotline to receive calls from persons who have information regarding fraud, waste, and abuse.

The FWA Committee consists of members of ATC, including the elected ATC, the Assistant ATC, the Auditor Division Chief and Section Manager, and a representative of the County Human Resources (HR) Department. ATC has initiated the practice of including the HR Department on the Committee, as many reported cases involve County personnel. The County HR Department also directly receives all copies of fraud, waste, and abuse from the independent third-party fraud hotline provider. IAS coordinates the evaluation and/or investigation of all cases that are reported to the FWA hotline.

# **INDEPENDENCE OF AUDITOR-CONTROLLER/TREASURER/ TAX COLLECTOR'S INTERNAL AUDITS SECTION (CONTINUED)**

## **5. Periodic Communication with the Audit Committee**

The Audit Committee consists of the elected ATC, a representative appointed by the Chair of the Board of Supervisors, a representative appointed by the County Executive Officer, and two public members (one selected by the Chair of the Board of Supervisors and one selected by ATC).

IAS meets quarterly with the Audit Committee. The Audit Committee was established to facilitate communication among the Board of Supervisors, ATC, County administration, and external auditors of the County. The Audit Committee acts in an advisory capacity to ATC and the Board of Supervisors.

The Audit Committee, as an oversight body, enhances independence by:

- a) Reviewing and approving the Annual Audit Plan developed by IAS.
- b) Participating in the external auditor selection process for both the County CAFR Audit, as well as any external financial or operational audits of County departments.
- c) Evaluating the reports resulting from the Annual Audit Plan.
- d) Considering the response from management of departments to the findings and recommendations proposed by IAS.
- e) Reviewing reports on the implementation of prior audit recommendations and requesting reasons for delays in implementing corrective actions.

## **6. Confirmation of Organizational Independence**

ATC confirms the organizational independence of IAS to the Audit Committee on an annual basis, in accordance with the Standards. Most recently, IAS confirmed its organizational independence during the Audit Committee meeting on June 20, 2019. See Attachment B.

## **7. Operational Transparency**

All audit reports issued by IAS are publicly available on the ATC website and are separately distributed to the Board of Supervisors and the Grand Jury.

The combination of measures and precautions above enable ATC to provide adequate oversight of IAS, and enable the Auditor Division to remain functionally independent, in accordance with professional standards.

## ATTACHMENT A – CERTIFIED STATEMENT OF ASSETS TRANSFERRED



VAVRINEK, TRINE, DAY & CO., LLP  
Certified Public Accountants

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### INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Supervisors  
County of San Bernardino, California

We have performed the procedures enumerated below, which were agreed to by the County of San Bernardino, California (County) (the specified party), related to the County's compliance with the requirements of Article V, Sections 1 and 8, of the County of San Bernardino Charter (Charter) as of December 31, 2018. The County's management is responsible for its compliance with those specified requirements. The sufficiency of these procedures is solely the responsibility of the specified party. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below, either for the purpose for which this report has been requested or for any other purpose.

Our procedures and associated findings are as follows:

In accordance with Article V, Section 1:

1. Procedure: Determine if the Auditor-Controller/Treasurer/Tax Collector made and filed with the County Auditor a detailed inventory of all property belonging or pertaining to his office, received from by his predecessor.

Finding: We noted that a detailed inventory was filed as of December 31, 2018. No exceptions were found as a result of this procedure.

2. Procedure: Determine if the County Auditor has maintained a property account for the Auditor-Controller/Treasurer/Tax Collector, who shall be charged with all property received by him from his predecessor and all property thereafter received.

Finding: We noted that the County Auditor maintained three separate property accounts for fixed assets, cash, and investments. No exceptions were found as a result of this procedure.

In accordance with Article V, Section 8:

3. Procedure: Determine if the cash accounts maintained by the Treasurer's Office are properly reconciled and that the reconciliations were prepared in a timely manner (within 30 days after the month end).

Finding: We noted the most recent reconciliation prepared for the consolidated banking account was dated July 2018. No other exceptions were found as a result of this procedure.

4. Procedure: Determine whether certain internal controls over the claims processing function are operating as designed by selecting a sample of 40 claim payments made between July 1, 2018 through December 31, 2018 and determine if each claim payment was properly authorized, supported by valid documentation and that the claim expenditure was properly recorded in the general ledger.

Finding: No exceptions were found as a result of this procedure.

5. Procedure: Determine that the fixed assets and cash, listed as part of the Certified Statement of Assets Transferred (CSAT) are adequately supported.

Finding: No exceptions were found as a result of this procedure.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the specified requirements. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the County of San Bernardino, and is not intended to be, and should not be, used by anyone other than this specified party.

*Vavrinek, Trine, Day & Co. LLP*

Rancho Cucamonga, California  
January 23, 2019

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## ATTACHMENT B – CONFIRMATION OF ORGANIZATIONAL INDEPENDENCE

### Confirmation of Organizational Independence from Peer Review Report Read Into the Record at the Audit Committee Meeting of June 20th, 2019

To conform with International Standards 1110 for the Professional Practice of Internal Auditing, the CAE must confirm to the board at least annually the organizational independence of Internal Audits Activity.

We have safeguards to ensure independence and quality of the audit function and that various roles of the Auditor-Controller/Treasurer/Tax Collector (ATC) do not conflict.

- We have removed all other operational responsibilities from Internal Audits Section management, and the Chief Deputy Auditor reports directly to the ATC.
- A quality assessment review of the Internal Audit activity is conducted by a qualified external quality assessment team from outside of the County organization.
- The Internal Audits Section does not perform audits of any functions within the ATC span of control.
- An independent CPA firm performs an Agreed-Upon Procedures review of ATC when the Board of Supervisors appointed or elected a new ATC.
- The Internal Audit Activity meets quarterly with the audit committee to facilitate communication among County administration, external auditors of the County, the office of the Auditor-Controller/Treasurer/Tax Collector, and the Board of Supervisors. The Audit Committee acts in an advisory capacity to ATC and the Board of Supervisors.
- All audit reports issued by the Internal Audit Activity of the County are posted on our website and distributed to the Board of Supervisors and the Grand Jury.
- We confirm the organizational independence of the Internal Audit Activity as an annual agenda item at the audit committee meeting.



## CONTROLLER

VANESSA DOYLE | CHIEF DEPUTY CONTROLLER

Vanessa Doyle has served as ATC Chief Deputy Controller since March 2018. She began her career in San Bernardino County as an Accountant in the Recorder Division in 2005. She promoted through the ranks, serving in various capacities in Accounts Payable, Internal Audits and Reimbursable Projects. She promoted to Manager, Property Tax Division and then in June 2013 to Chief Deputy, Disbursements. She subsequently served as Chief Deputy Tax Collector, Chief Deputy Central Collections and Chief Deputy, Property Tax. She holds a B.S. in Business Administration with a concentration in Accounting from California State University, San Bernardino.

### DIVISION OVERVIEW

The Controller Division of the Auditor-Controller/Treasurer/Tax Collector designs and operates the County's control system to provide a reasonable assurance regarding the achievement of objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulation, and applicable policies. The Controller Division consists of two sections, General Accounting and Management Services.

# IMPROVEMENTS &

### CONSOLIDATION IMPROVEMENTS:

- For the decade, the Controller Division has learned to be efficient with low level staffing, while taking on monumental changes in legislation/financial reporting that greatly impacted workflow. Throughout these changes, we continued to move forward and implement a Countywide Enterprise Resource Planning System, SAP. It was a collaborative effort between the Controller Division, County Administrative Office (CAO), Information Services Department, and Purchasing, in which synergies were leveraged to implement a comprehensive and robust system.

## **CONSOLIDATION IMPROVEMENTS (CONTINUED):**

- Collaborated with the County Office of Emergency Services (OES) regarding disasters and facilitated the submittal of project lists for the County to the California Office of Emergency Services (CalOES).
- Worked intently to ensure maximum reimbursement for disaster costs.
- Managed custodial funds by closely monitoring and safeguarding fund assets, and subsequently reconciling and disbursing funds to County departments to aid them in offsetting unexpected costs incurred as the result of disasters.
- Worked in partnership with CAO and the State of California regarding available reserves for governmental funds not including the General Fund.
- The newly established classification provides the benefit of reflecting County departments' budgets with regard to their expected expenditures and spending intent as well as increased transparency for the taxpayer.
- Assisted with the development of an enhanced presentation of the Budget Book to conform to state guidelines.
- Teamed with CAO to establish a new fund balance policy and process compliant with GASB 54 in which fund balance is officially assigned and committed for specific purposes.

- Partnered with CAO to streamline the calculations of the Indirect Cost Rate Proposal for County departments to include in their rates that for some departments will be charged as a fee to taxpayers.
- This was an effort to accurately document the costs to ensure full cost recovery as well as to identify how much general fund will be required to cover the costs.

## **DIVISION ACCOMPLISHMENTS:**

- Government Finance Officers Association Award for Comprehensive Annual Financial Reporting and Popular Annual Financial Reporting
- State Controller's Office Financial Transactions Reporting Award
- New Interactive Year End Training rolling out the new accrual process for departments
- Collaboration with County Office of Emergency Services, County Administrative Office (CAO) on Disaster Task Force
- Collaboration with CAO regarding Indirect Cost Rate Proposals

# ACCOMPLISHMENTS





## TREASURER

JOHN JOHNSON | CHIEF DEPUTY TREASURER

John Johnson joined the San Bernardino County Treasurer Division in 2004 and was appointed Chief Deputy Treasurer in 2008. He has also served as Assistant ATC. Prior to his County service, Mr. Johnson spent 15 years in the private sector as a registered securities representative. He holds a B.S. degree in Business Administration from the University of Southern Mississippi and is an active member of the California Association of County Treasurers and Tax Collectors, California Municipal Treasurers Association and the Investment Managers of Public Agencies Council.

### DIVISION OVERVIEW

The Treasurer Division is comprised of the Investment and Banking & Settlement Sections who perform the County's treasury and banking functions, including the investment of all County and school district funds which make up the \$7+ billion County Investment Pool. As guardian of the public's tax dollars, the Treasurer adheres to one of the most conservative investment policies in California, focusing on safety, liquidity, and yield. Further, the San Bernardino County Investment Pool is "AAA/S1" rated by Fitch Rating Agency. In addition to providing banking services for the County, the Treasurer Division clears all warrants issued by the County and school districts.

# IMPROVEMENTS &

### CONSOLIDATION IMPROVEMENTS:

- The consolidation of the management hierarchy removed decision-making barriers, allowing for faster approvals, budgeting and implementation, thus improving the execution and completion of important projects.
- The consolidation provided more resources to the Treasury for important projects, such as SAP implementation and earnings apportionment transition, the general banking RFP and bank change, and personnel acquisition and training.

## **CONSOLIDATION IMPROVEMENTS (CONTINUED):**

- The consolidation facilitated the implementation of SAP, which also replaced our outdated mainframe-based Treasury system, TZ.
- Throughout this decade, the San Bernardino County Pool maintained the highest attainable investment ratings assigned by Fitch Ratings for an investment pool of its type.
- Treasury and ATC successfully conducted a Request for Proposal for banking services and changed the County's operational bank, resulting in cost savings and improved technology and service for Pool constituents.
- Treasury has grown and nurtured its professional investment staff to meet the increasing challenges of fixed income management after the Credit Crisis by adding a Chief Investment Officer position and an additional Credit Analyst position.
- Treasury staff became more actively involved in state legislative efforts regarding the investment and safeguarding of public funds. Efforts include: writing and supporting legislation to allow the purchase of Supranational securities, revising the investment code allowing for purchase of certain negotiable certificates of deposit, revising and improving code language allowing the purchase of asset-backed securities, and revising the code language regarding reciprocal bank deposits.

- Communication between Treasury and Controller, Property Tax, and Accounts Payable improved significantly after the consolidation, benefiting cash flow management, banking function, and transaction reconciliation and reporting

## **DIVISION ACCOMPLISHMENTS:**

- Implemented MatLab Analytic Software to give Treasury staff in-house custom analytic tools.
- Maintained AAf/S1 Ratings from Fitch Ratings (Highest attainable for a LGIP).
- Highest ever Investment Pool balance of \$7.925B on December 16, 2019.
- As result of the passage of AB 1770 which became effective January 1, 2019 (amendment language composed by ATC Treasury Staff), the Treasury has added asset-backed securities positions to the Pool, thereby further enhancing Pool returns.
- Treasury made significant structural changes to the Pool by adding to its diversified list of approved issuers and increasing Pool duration.
- Treasury implemented electronic trading for its money market fund transactions.
- Treasury staff wrote successful amendments for AB 945, which added protections for public agencies participating in reciprocal deposit bank accounts.

# **ACCOMPLISHMENTS**

- Treasury and ATC staff participated in many difficult municipal bond sales and re-financings in order to assist cash-strapped school districts after and during the Great Recession. Treasury staff also participated in legislative efforts that improved code language regarding the sale, structuring, and marketing of school district municipal bonds, thus protecting taxpayers and school districts.

- Treasury was featured in June 27, 2019, Wall Street Journal article regarding ATC's opposition to an industry-led proposal to reduce fixed income transaction price transparency.



## TAX COLLECTOR

DIANA ATKESON | CHIEF DEPUTY TAX COLLECTOR

Diana Atkeson has served as ATC Chief Deputy Tax Collector since May 2015. Her career in San Bernardino County government began in 1996 with various human services positions in the Transitional Assistance Department. In 2005, she joined ATC and held several accounting, supervisory and management positions within the Controller and Disbursements Division prior to promoting to her current post. She holds a B.S. degree in Business Administration with a concentration in Accounting from California State University, San Bernardino.

### DIVISION OVERVIEW

The San Bernardino County Tax Collector is a state-mandated function that is governed by the California Revenue and Taxation Code, Government Code, and Code of Civil Procedures. The Tax Collector Division is responsible for billing and collecting secured, unsecured, and supplemental property taxes, transient occupancy tax (TOT), race horse tax, as well as various special assessments for all taxing entities within San Bernardino County. This amounts to roughly 900,000 property tax bills and over \$3 billion in property tax revenue and other fees each year.

# IMPROVEMENTS &

### CONSOLIDATION IMPROVEMENTS:

- The Tax Collector Division implemented the Contact Center with Interactive Voice Response (IVR) to provide better customer service to customers and additional options to pay.
- The Tax Collector Division provided the opportunity for taxpayers to receive their bill via emails as eBills.
- The Tax Collector Division provided the opportunity for taxpayers to pay their property taxes using a debit card.
- The Tax Collector Division implemented an Online Banking Tax Payment process that has increased efficiency and effectiveness in processing payments remitted through a taxpayer's online banking system. (2015 National Association of Counties Award)

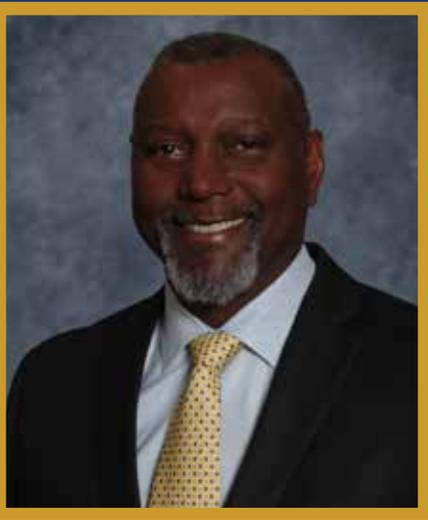
## CONSOLIDATION IMPROVEMENTS (CONTINUED):

- The Tax Collector Division implemented the Image Cash Letter (ICL) also referred to as Check21 – Check image transmission to bank making funds available sooner to invest and apportion to taxing agencies.
- The Tax Collector Division implemented a Bankruptcy Application to track status of cases and payments received from trustees.
- The Tax Collector Division implemented the Airbnb Voluntary Collection Agreement – Increased Transient Occupancy Tax revenue by 97%.
- The Tax Collector Division implemented a new Cashiering System – Streamlined business operations by providing cashiers with digital tools to better serve their customers. (2019 National Association of Counties Award)
- The Tax Collector Division implemented a new Remittance system – A robust system designed to process thousands of daily tax payments to the Tax Collector, Central Collections, and Treasury Division (2019 National Association of Counties Award)
- The Tax Collector has benefited from the consolidation of the departments through communication and close collaboration with the Property Tax Division, which allows for faster decision making while retaining check and balances.

## DIVISION ACCOMPLISHMENTS:

- Collects over \$3 billion in Secured/Unsecured property taxes annually.
- Tax Collector was awarded two National Association of Counties Awards for the development and implementation of its Cashiering and Remittance systems.
- Prepared and mailed letters to 545 property owners to enforce Revenue and Taxation Code §2503.2(b) for the first time. This code section allows the County Tax Collector to require tax payers to pay by ACH when paying an aggregate of \$50,000 or more annually. This was a time-consuming endeavor, but is already having positive results in collecting property taxes sooner. In turn, these monies are then apportioned to the taxing agencies on a more timely basis.
- Successfully managed the May and August 2019 Tax Sale, returning 1,233 parcels to taxpaying status and obtaining \$10.7 million in total revenue. A total of 1,042 bidders participated in the auctions.
- Processed 386 Excess Proceeds claims in 2019.
- Increased Transient Occupancy Tax collection by 97% from \$3.1 million to \$6.2 million as a result of greater quality and efficiency in collection efforts and the Airbnb Voluntary Collection Agreement.

# ACCOMPLISHMENTS



## DISBURSEMENTS

MICHAEL ALEXANDER | CHIEF DEPUTY, DISBURSEMENTS

Michael Alexander has served as ATC Chief Deputy, Disbursements since June 2016. He previously served as an Auditor in the U.S. Marine Corps and as Chief of Audits and Deputy Auditor-Controller for Riverside County. He holds an MBA degree from Webster University and professional designations as a Certified Payroll Professional (CPP) and Certified Internal Auditor (CIA).

### DIVISION OVERVIEW

The Disbursements Division is primarily responsible for paying County employees and vendors, ensuring accurate and timely remittance of withheld taxes, and reporting to federal and state taxing agencies and other regulatory agencies. The Disbursements Division consists of two sections: Accounts Payable and Central Payroll.

# IMPROVEMENTS &

### CONSOLIDATION IMPROVEMENTS:

- Disbursements Division programmatically encourages vendors to accept electronic fund transfers (EFT), which are more secure than warrants and allows the County to have better control of cash flow from the County treasury. During the past fiscal year, the County issued most of its larger vendor payments by EFT; with 174,000 warrants issued for \$599 Million and 45,000 EFT for \$2.9 Billion. Over 83% of payments are now made by EFT, and that percentage is increasing yearly.
- With the implementation of SAP as a Division of ATC, the County centralized and streamlined invoice processing to enhance the efficiency of vendor payments. This set the stage for the County to take advantage of prompt payment discounts offered by vendors.

## CONSOLIDATION IMPROVEMENTS (CONTINUED):

- In collaboration with the SAP Center of Excellence Division and County Purchasing, Accounts Payable is implementing vendor self-service to allow vendors to manage their own vendor information. This will improve the efficiency of the vendor management process.
- The County implemented direct deposit for its employees; this was enhanced by the use of pay cards to allow more employees to have access to direct deposit of their net pay and employee reimbursements. For example, in FY 2018/19 the County had over \$1.4 Billion in gross pay to over 21,000 employees with over 99.5% of employees receiving their pay by direct deposit, with an average of only 25 payroll warrants processed each pay period. Direct deposit reduces errors, saves money, speeds payment, and maximizes convenience for our employees.
- Adopted tax withholding changes required by the Affordable Care Act and instituted reporting to accommodate IRS provisions under 26 U.S. Code Section 4980H – Shared Responsibility for Employers Regarding Health Coverage.

of vendor payments and the recording of financial transactions. It also provides the County with an enhanced ability to obtain more detailed and meaningful financial information.

- The County upgraded the Employee Management and Compensation System from PeopleSoft version 9.0 to version 9.2. This was a significant upgrade that provided faster processing and a new more modern look, as well as enhanced functionality and mobile access. PeopleSoft version 9.2 offers additional employee self-service options that enhance security of personal information.

## DIVISION ACCOMPLISHMENTS:

- Accurately paid more than 21,000 employees and timely remitted taxes and other deductions every two weeks with an average pay period gross pay of \$55 Million.
- Processed payments of \$3.5 Billion consisting of over 45,000 electronic payments and 174,000 warrants to County vendors. This reflects a decrease in the number of warrants and an increase of 14,000 EFT payments. Our success

# ACCOMPLISHMENTS

- The Department's many functions were co-located in a single building, which improved management's ability to oversee the entire department. It also improved the various divisions' ability to collaborate while reducing inefficiencies and time delays caused by geographic separation.

The consolidation facilitated the implementation and upgrade of vital financial and payroll systems:

- SAP, which replaced the outmoded and inefficient FAS Purchasing system. This implementation resulted in significant efficiencies in the processing

in increasing the number of EFT payments meant improved accuracy, greater speed, and improved customer satisfaction among County vendors.

- Improved the efficiency of centralized vendor invoice processing from receipt of invoice to payment by over 50% from about 30 days to an average of about 15 days. This puts the County in a better position to take advantage of financially favorable early payment discount terms.



# CENTRAL COLLECTIONS

SONIA HERMOSILLO | CHIEF DEPUTY, CENTRAL COLLECTIONS

Sonia Hermosillo has been with the County of San Bernardino since 2000 and has served the Auditor-Controller/Treasurer/Tax Collector in a number of management capacities. She is currently Division Chief of Central Collections Division overseeing the revenue enhancement operation that serves Tax Collector, ARMC, Superior Courts and other county departments. Sonia's professional career has spanned over 25 years with experience in external auditing, tax preparation and Healthcare Finance. She is a graduate of Cal Poly Pomona, and holds a Bachelor's Degree in Business Administration with a major in Accounting.

## DIVISION OVERVIEW

Central Collections collects fines and fees for the San Bernardino County Superior Court, outstanding patient bills for Arrowhead Regional Medical Center, and delinquent unsecured taxes for the Tax Collector Division. Debt collection services are also provided to other County departments. Through the use of innovative technology, our highly skilled staff works to ensure maximum recovery of debt owed to the County. Central Collections staff provides excellent customer service to the public, our coworkers, management, and other county departments while staying focused on revenue recovery.

# IMPROVEMENTS &

## CONSOLIDATION IMPROVEMENTS:

Central Collections was formed in 1996 and delegated to ATC for the purpose of collecting past-due, unpaid, and delinquent accounts owing to the County of San Bernardino. Consolidation has improved coordination, particularly with the Information Technology and Tax Collector Divisions, provided better managerial oversight of the Division, and enabled us to provide a higher level of interactive support to our major customers San Bernardino County Superior Courts and Arrowhead Regional Medical Center (ARMC). Prior to the ATC consolidation, Central Collections was

## CONSOLIDATION IMPROVEMENTS (CONTINUED):

located in a building separate from the Treasurer-Tax Collector. Combining these departments into one location now includes one common information desk directing Central Collections customers to the proper office to discuss their bill.

For example, taxpayers that are sent to Collections for unpaid tax bills can be directed to the Tax Collector to discuss their bill and make payment without needing to visit another office. Similarly, remittance processing has become more efficient by sharing the same building with the Tax Collector. Previously, check payments that could not be processed through Treasurer-Tax Collector remittance had to be physically transported twice a day to Central Collections. In addition, any taxpayers wishing to pay their bills with cash were directed to the Treasurer-Tax Collector for payment. Today, if a payment cannot go through the remittance processing system at Tax Collector, the payments can be quickly transported to Central Collections via the intra-building transportation system for manual posting to accounts. This in turn provides timely posting of accounts and a better customer service experience for our clients. Clients who seek to pay in person typically are in need of immediate proof of payment demonstrating their financial obligations have been met. Being able to accept payment in any form at Central Collections leads to a quicker receipt provided to the taxpayer.

- Annually collecting just under \$50M for Courts and ARMC, Central Collections continues to provide these key clients a steady source of revenue despite passage of several pieces of legislation exempting debtors in criminal cases from paying fines, and a changing climate that has greatly increased difficulty in the field of medical debt collections.
- Recognizing debtors are more likely to pay when more options are available to them, a payment Interactive Voice Response (IVR) system was introduced in December 2018 affording County debtors yet another option to pay their bills. This IVR tool safeguards debtor payment data and frees up valuable collector time to make contact with more debtors.
- Available 24/7/365, callers are greeted with a prompt directing them to this new pay system instead of executing a transaction over the phone with a Collector during business hours.
- Acceptance and use of the payment IVR is evident through its outstanding success rate, with 55% of calls received each month resulting in IVR payment.

# ACCOMPLISHMENTS

# CENTRAL COLLECTIONS

## DIVISION ACCOMPLISHMENTS:

### TAX INTERCEPT

Central Collections participates in the Interagency Intercept Collection Program of the Franchise Tax Board (FTB). Intercepting debtor state income taxes, lottery winnings and unclaimed property payments is an effective collection tool generating over \$8M in collections annually, and resulting in payment on over 32,000 accounts. To participate in the program, Pre-Intercept Notices need to be sent to each debtor who will be submitted to the FTB. To ensure each debtor has a social security number and notices are sent to the best address, an annual data and verification and maximization process preliminary job analysis is run in preparation for each job run.

With over 175,000 debtors identified for the program each year, this is an area where costs to participate are evaluated. A closer read of the Franchise Tax Board's notice requirement for program participation resulted in the discovery that the notice requirement to the debtor is for each new debt, not an annual notice for the same debt. Applying this new understanding, Central Collections modified its Pre-Intercept Notices and related data verification in 2019. Collections had traditionally sent Pre-Intercept notices to all debtors submitted to tax intercept, at a cost of \$143,230 in 2018. Adopting the new practice to notify only new account debtors reduced costs to \$55,530 in 2019, for a combined savings of \$87,700.

### PAYMENT INTERACTIVE VOICE RESPONSE (IVR)

One of the most effective collection tools is phone contact with debtors. Often these conversations lead to voluntary payment and Collectors need to be ready to accept payment. In December 2018, Central Collections introduced payment IVR as an alternative payment avenue for debtors to access, 24/7. In addition to providing an improved customer service experience, operators and Collectors can now transfer callers to the payment IVR if they are ready to make payment, freeing up valuable Collector time to contact additional debtors. Re-directing these calls to the payment IVR also provides another service layer to safeguard sensitive customer payment data.

Since implementation, over 42,000 calls have been placed through the payment IVR with 55% resulting in collections of \$2.8 million. This represents 31% of all electronic payments processed and is a tremendous success story. Investing in new technology demonstrates the ATCs commitment to gain efficiencies, while taking the positive steps to secure data in our possession.



# INFORMATION TECHNOLOGY

DON LE | CHIEF DEPUTY, INFORMATION TECHNOLOGY

Don Le has served as Chief Deputy, Information Technology for San Bernardino County Auditor-Controller/Treasurer/Tax Collector since July 2019. He is responsible for the management of Information Technology Division (ITD) and leading the division through many ongoing projects for the Department to meet current and future organizational challenges.

Don has more than sixteen years of experience in software engineering, IT infrastructure, data science, cybersecurity, and IT management. He is a Certified Cybersecurity Information System Security Professional (CISSSP). Don holds both a Bachelor of Science and Master of Science in Computer Science from California State University, San Bernardino, and is a Ph.D. Candidate in Information Systems and Technology - Analytics and Decision Support at Dakota State University. His research interests include machine learning and analytics with applications in problem domain areas such as healthcare, project management, and security planning and management.

## DIVISION OVERVIEW

The Information Technology (IT) Division provides technical leadership and the highest level of service for all divisions within Auditor-Controller/Treasurer/Tax Collector operations. The primary goal of the IT Division is to lead the Department in adopting modern technologies for the purpose of better data management and data presentment, and to ensure all Department users have the tools to perform their jobs in an efficient and productive manner. The IT Division consists of two sections: Application Development and Support Section and Business Infrastructure and Operational Support Section.

# IMPROVEMENTS &

## INFORMATION TECHNOLOGY

### CONSOLIDATION IMPROVEMENTS:

- **Cost Savings:** The consolidation allowed the Department to apply the shared services model for IT services, reducing the money spent on staffing and capital.
- **Greater Efficiency & Productivity:** Leveraging the shared services and supports model, IT has helped all of ATC's divisions automate standard business processes, drive self-service capabilities, and eliminate low-value activities (e.g., manual input, multiple reconciliations, multiple authorization processes, etc.). The time and resources saved has allowed IT to focus on higher-valued tasks.
- **Catalyst for Business Process Changes:** The consolidation not only allowed for shared services, it also served as a catalyst for business process changes. The old, siloed, outdated processes were improved and replaced with streamlined business processes, which was a benefit of investing in new systems and technology. This has resulted in smarter, faster, and more efficient business processes.
- Successfully managed and completed a large number of major infrastructure and software development projects every year. Provided day-to-day business operation supports to maintain ATC services, enhance office productivity, and improve the reach of those services throughout the region.
- Leveraged cost-optimizing technologies while improving infrastructure and operational processing capabilities. Moved from a "metal" based environment to a highly virtualized atmosphere providing high availability, agility, and security. ATC's Information Technology Division is among the most powerful and advanced within the County, and further innovation is always a high priority.
- Leveraged cloud services and established presence in Microsoft Azure with goals to improve the delivery of public services and enhance external collaboration. Brokered free Azure Fundamentals training with Microsoft for all interested IT leaders throughout San Bernardino County Government.

### ACCOMPLISHMENTS FOLLOWING CONSOLIDATION:

- Implemented a new high-capacity cashiering system and remittance system to collect and process hundreds of thousands of payments per day, promoting strong auditing, reporting, reconciliation, and efficiency.
- Implemented a new Property Tax Refund Management System with integrated rich reporting and business intelligence capabilities to efficiently manage refund claims and effectively improve outreach initiatives. This implementation allowed ATC to process over 18,000 property tax refunds totaling \$22.7 million to taxpayers a year. Taxpayers thereby received faster and more accurate refunds.

- Developed business operations disaster recovery and risk mitigation strategies and implemented disaster recovery data backup and replication storage at an offsite location.

### DIVISION ACCOMPLISHMENTS:

- Supported Tax Collector and Property Tax Divisions and won three 2019 National Association of Counties awards for ATC in the category of Information Technology for the following projects:
  - PIRFNet Enhancements
  - RTL Remittance System
  - iNovah Cashiering System

# ACCOMPLISHMENTS

## INFORMATION TECHNOLOGY

### DIVISION ACCOMPLISHMENTS

#### (CONTINUED):

#### **INVESTED \$170,000 IN FIXED ASSET INFRA-STRUCTURE IMPROVEMENT PURCHASES THAT ALLOWED US TO:**

- Expand ATC data storage device to increase backup capacity and retention periods
- Replace 6 aging networking switch devices on the 2nd floor
- Add 2 additional Host Servers to meet the departmental information processing needs
- Extend our security camera backup storage to increase the retention periods.
- Purchase a backup network switch for departmental data replication from ATC building to the County's disaster recovery site
- Replace aging Server equipment required for Central Collections Interactive Voice Response (IVR) system

#### **THE INFORMATION TECHNOLOGY DIVISION ACHIEVED THE FOLLOWING IN SUPPORT OF DESKTOPS & OPERATIONS:**

- Added development tools such as WordPress and other Mobile Development tools
- Improved and updated desktops for SAP Division, Payroll Section, and Application Development and Support Section
- Improved and updated laptops for ATC Managers, Division Chiefs, and new Administration
- Improved and updated laptops for Tax Collector Installment
- Added cashiering equipment for Tax Collector
- Replaced old Microfiche Reader/scanner with a new digital Microfiche reader
- Reconciled the SmartNet switch coverage
- Replaced Toshiba copier fleet with upgraded models

- Replaced the Ontario Systems call manager IVR aging hardware
- Upgraded the computer server that manages network security and user authentication and authorization

#### **IN SUPPORT OF DISASTER RECOVERY:**

- Added Commvault licenses for the disaster recovery system
- Implemented disaster recovery data backup replication with the High Desert Government Center
- Established presence in Microsoft Azure Cloud
- Participated in May and October Disaster Recovery Drills with the Information Services Department
- Completed Business Impact Analysis (BIA) of Treasurer Division
- Implemented disaster recovery sites for WebTrol (Tax Collection System)

#### **IN SUPPORT OF DATA SECURITY:**

- Enhanced Tax Collector and Central Collections Divisions' Security Cameras
- Added enterprise-level security software, Malwarebytes, to provide an additional layer of cybersecurity for confidential taxpayer data
- Published nine Security Bytes newsletters containing easy to understand advice and safety tips for improving cybersecurity

#### **IN SUPPORT OF OUR BUSINESS DIVISIONS, PROVIDED AND/OR MANAGED THE FOLLOWING SOLUTIONS:**

- Developed new enhancements and features for the Property Tax Refund Management System to improve the business efficiency

CONTINUES ON THE FOLLOWING PAGE...

## INFORMATION TECHNOLOGY DIVISION ACCOMPLISHMENTS (CONTINUED):

- Wrote and deployed the AdminDB system – an employee database with information not in countywide payroll application leveraged to support fund tracking, sensitive medical information, and emergency contacts
- The Information Technology Division developed the Onboarding program to automate the onboarding processes, such as email notifications to appropriate staff, and allows supervisors to indicate what equipment, data and system access, training and security requirements, and distribution lists are needed to support an employee.
- The Information Technology Division implemented the iNovah cashiering system to streamline cashiering and collecting operations by providing cashiers with digital tools to better serve their customers.
- The Information Technology Division managed the implementation of the Contact Center with Interactive Voice Response (IVR) to provide better customer service to customers and additional options to pay.
- The Information Technology Division rewrote the outdated Countyline ATC website to improve user experience and provide robust and secured administration functionalities.
- The Information Technology Division developed General Tax Levy breakdown web application to present the percentage share and respective amount of the 1% general tax levy for each taxing agency.
- The Information Technology Division implemented Paydata solution to report employee earnings and payroll expenditures.
- The Information Technology Division implemented Desktop Analytics system, a telephone recording solution, for Tax Collection division.
- The Information Technology Division extracted IMS TROL mainframe data into relational data base platform to develop an enterprise data ware house and increase the use of data analytics solutions/ tools to inform policy and business decisions.
- The Information Technology Division developed the Property Tax apportionment dashboard using GIS technology to present property tax data from the parcel level to the Tax Rate Area and taxing agency jurisdiction level.



# PROPERTY TAX

LINDA SANTILLANO | CHIEF DEPUTY, PROPERTY TAX

Linda Santillano has served as Property Tax Division Chief since October 2017. She joined ATC in 2005 and held various positions in the Internal Audits and Property Tax Divisions prior to promoting to her current post. She holds a B.S. degree in Business Administration with a concentration in Accounting from California State University, San Bernardino.

## DIVISION OVERVIEW

The Property Tax Division of the Auditor-Controller/Treasurer/Tax Collector's Office (ATC) is comprised of the Apportionment Section and RDA Dissolution Section. The Division is responsible for compiling assessed valuations for taxing agencies, the calculation of property tax rates, and the preparation and extension of tax rolls by tax rate area, including any special assessments. The Division maintains the tax charges against the County Tax Collector, as well as sets and releases subdivision tax bonds, and enters all penalties and roll corrections while processing corresponding refunds.

Property taxes are apportioned to approximately 600 taxing entity accounts Countywide, and the Division also provides estimates of County tax revenues for various taxing agencies. Property tax revenue reports are prepared by the Division and submitted to various state agencies.

Redevelopment Property Tax Trust Funds (RPTTF) are administered and disbursements are performed for former Redevelopment Agencies (RDAs), while managing and calculating approximately 2,200 pass-through payments on behalf of 26 RDA successor agencies. The Division reviews the Recognized Obligation Payment Schedules (ROPS) Prior Period Adjustment (PPA) forms and reports findings to the California Department of Finance. As of July 1, 2018, California Senate Bill 107 of 2015 was implemented, consolidating the 26 Oversight Boards of the RDA successor agencies into one Countywide Oversight Board. In collaboration with the Community Development and Housing Agency, the Property Tax Division staffs the Countywide Oversight Board.

# IMPROVEMENTS &

## PROPERTY TAX CONSOLIDATION IMPROVEMENTS:

- The Property Tax Division has benefited from the consolidation of the departments through improved communication and collaboration with the Tax Collector and County Treasurer for cash flow purposes, enabling the County Treasurer to maximize investment opportunities.
- The Property Tax Division transitioned all taxing agencies to Electronic Funds Transfer payments for tax apportionment purposes.
- The Property Tax Division prepared the tax apportionment schedule and performed approximately 18 to 20 tax apportionments on a timely basis.
- The Property Tax Division collaborated with the Information Services Department (ISD) and our Information Technology Division (ITD) to establish solutions to limitations and challenges encountered with the property tax mainframe system (PI).
- Databases were developed with ITD that allowed the Property Tax Division to query system information utilizing Power BI or other applications. These databases:
  - Allowed the Division to perform reporting requirements and process agency and consultant requests in a more accurate and timely manner.
  - Allowed the Division to enhance customer service at a reduced cost.
- The Property Tax Division established controls and improved procedures to process revenue estimates and annual jurisdictional changes.
- The Property Tax Division implemented an enhanced Property Tax Refund Management System (PIRFNet) to enable us to operate in a more efficient manner by utilizing dashboards and reporting tools to improve outreach efforts to taxpayers and claim tax refunds (2019 National Association of Counties (NACO) Award Recipient).
- Over the past ten years, the Property Tax Division processed 425,458 tax refunds claimed by taxpayers in the amount of \$428,870,246.
- Property Tax Transparency Project - Phase 1 – Where do your property tax dollars go? was implemented on July 8, 2019. For the first time ever, taxpayers and the public have a tool available to them on our website where they can obtain the breakdown of where their tax dollars go at the parcel level.
- The percentage share and respective amounts of the 1% general tax levy is provided along with information about the tax rate, special taxes, assessments, and redevelopment tax increment is available.
- A visual pie chart is part of this cutting-edge technology to display the total amounts and percentages categorized by agency type (i.e. County, Cities, Schools, and Special Districts).
- Property Tax Transparency Project – Phase 2 / GIS Technology, providing the ability to report property tax data at the jurisdictional level, was developed during 2019 in collaboration with the Information Technology Division. It will go live in early 2020.
- The Property Tax Division successfully implemented Redevelopment Agency dissolution legislation that became effective February 1, 2012.
- The Property Tax Division developed policies and procedures that complied with legislation and fulfilled the fiduciary duty of ATC, which is to administer the Redevelopment Property Tax Trust Funds (RPTTF), perform RPTTF apportionments, and perform several other functions that oversee the wind down of RDA Successor Agencies.

# ACCOMPLISHMENTS

## CONSOLIDATION IMPROVEMENTS (CONTINUED):

- Approximately \$4,966,897,653 in tax increment has been apportioned since RDAs were dissolved in 2012.
- The Property Tax Division implemented the Countywide Oversight Board pursuant to SB 107. We collaborated with County Counsel and the Community Development and Housing Agency to develop procedures, training, templates, and other resources for successor agencies and board members to ensure operations would continue without disruption effective July 1, 2018. Additionally, a webpage was developed to serve as a countywide portal of redevelopment information and procedures for successor agencies to follow for board agenda item submissions.
- We obtained Board of Supervisors' approval to make Revenue and Taxation Code Section 5105 operational. The authorization allowed us to eliminate the requirement to have taxpayers file a claim for refund under certain conditions, making the refund process more efficient and allowing taxpayers to receive their refunds without delay.
- We processed 43,797 tax refunds claimed by taxpayers in the amount of \$27,846,992.
- We processed \$802,550,164 in RPTTF apportionments to successor and taxing agencies.
- We semi-annually performed approximately 2,193 pass-through calculations and payments on behalf of 26 RDA successor agencies.

## DIVISION ACCOMPLISHMENTS:

- We apportioned over \$3 billion in property taxes to approximately 600 taxing agency accounts.
- We were awarded the National Association of Counties (NACO) Award for the development/implementation of the enhanced Property Tax Refund Management System, PIRFNet. This innovation allowed the Division to efficiently manage the unclaimed refunds and improve reporting and outreach efforts to taxpayers.
- We performed 26 Prior Period Adjustment (PPA) desk reviews and reported findings to the CA Department of Finance which resulted in a \$9,136,027 adjustment on the ROPS 19-20A RPTTF apportionment.
- We apportioned \$5,544,825 to taxing agencies for asset liquidation proceeds for 31 parcels sold by Successor Agencies.



## SAP CENTER OF EXCELLENCE

ROWENA BARCELONA-NUQUI | CHIEF DEPUTY,  
SAP CENTER OF EXCELLENCE

Rowena Barcelona-Nuqui has served as SAP Chief Deputy since April 2018. She is responsible for managing the SAP Center of Excellence Division that provides support to all end-users of the County SAP ERP system. Prior to her employment with the County, Rowena had over 20 years of private sector experience using and supporting the SAP system with major companies including Nestle USA, Inc. and The Walt Disney Company. She holds a B.A. degree in Economics from the University of Southern California and an MBA from the University of Phoenix.

### DIVISION OVERVIEW

The SAP Center of Excellence Division (SAP CoE) of the Auditor-Controller/Treasurer/Tax Collector provides system operation, maintenance, and support for the Countywide Enterprise SAP System as well as the Auditor-Controller/Treasurer/Tax Collector operations. The primary goal of the SAP CoE is to work with organizations and agencies for the continued development of SAP, configure SAP modules, components and sub-components, and maintain SAP security users and roles. The SAP CoE writes code for new functionality and reporting, while researching end-user problems and providing solutions. The SAP CoE is comprised of the Functional and Technical Sections.

# IMPROVEMENTS &

### CONSOLIDATION IMPROVEMENTS:

- San Bernardino County initiated a Request for Proposal in 2012 to obtain a Countywide Enterprise Resource Planning (ERP) software that would provide a single software solution to replace unsupported, outdated, and isolated software with the goal of reducing costs, increasing efficiencies, and increasing transparency. SAP provided that solution. The SAP Center of Excellence has continued to support the Countywide ERP software system since Go-Live in October 2017 with the following accomplishments.

## CONSOLIDATION IMPROVEMENTS (CONTINUED):

- The County removed its reliance on the out-moded financial accounting system (FAS), a CGI/AMS software that was implemented in 1989; the Treasury software TZ a mainframe based, internally developed system that was over 30 years old; SAGE FAS 500 Asset Accounting for capital assets; and is in the final stages of replacing the electronic procurement system called ePro (Buyspeed from Periscope Holdings) implemented in March 2012 with a higher technology solution providing greater efficiency, faster speeds, and better service to our customers.
  - By selecting an integrated system solution, the County has taken a major step towards implementing a single, integrated, Countywide data repository reflecting consistent data for improved decision-making and self-service inquiry. This will be accomplished by reducing the number of software systems, redundant data entry, and the resources needed for cross-system reconciliation.
  - Utilizing a single system to support the entire procure-to-pay process decreased processing time for vendor payments by approximately six days, while allowing the County to systematically enforce business rules and financial controls throughout the entire process to improve County oversight.
- Improved Supplier Relations Management workflow by streamlining the approval process for Contracts, Purchase Orders and Shopping Carts.
  - Hired internal staff of 13 to support the SAP System for the County.
  - Conducted 20 SAP Training Courses to 526 End Users.
  - Deployed Additional Reports.
  - New reports have been created to assist in understanding department budgets and spending.
    - i. AVC Budget Deficit Report – Report will be used by the County Administrative Office to work with departments on creating fourth quarter budget adjustments.
    - ii. BW All Postings Report – The following report is a replica of an existing report in SAP. The BW report will provide the Departments the ability to pull large volume of transactions that the existing a report was not able to provide.
    - iii. Year-End Estimate Report – Report will be used by the County Administrative Office to provide estimated spend for the remaining months of the year.
    - iv. Multiple Funds Center Budget to Actuals – provides County departments a snap shot view of their budgeted Funds Centers and Actuals for all budget periods associated with the fiscal year a selected. The report also provides the ability to review detailed budget and actual transactional information.

# ACCOMPLISHMENTS

## DIVISION ACCOMPLISHMENTS:

- Implemented Accounts Receivable on April 1, 2019.
  - Implemented Assets Management April 27, 2019.
  - Implemented SAP Budgeting and Planning for Public Sector for 2020 Budgeting year for the following three departments: Auditor-Controller/Treasurer/Tax Collector, Probation, and Veterans Affairs.
- SRM Reports – Purchasing reports have been created to assist in understanding the County spend by product type and suppliers.
    - i. Tax Reports – Report that will provide taxes on Purchase Orders with a status “Ordered”.
    - ii. Supplier Spend – Provide actual expenditures by vendors.

# 2019 ACCOMPLISH

Following his successful and well attended swearing in ceremony on January 7, 2019, ATC Ensen Mason embarked on an ambitious program to transform the way the Department communicates with the public and to actively promote transparency in ATC operations. Below is a list of accomplishments that ATC Mason delivered during this first year in office.

- ATC Mason published the first ever Annual Report on Fraud, Waste and Abuse, highlighting each of the 86 cases referred by members of the public during 2018 to our Fraud, Waste and Abuse Hotline and informing the public about how these cases were resolved.
- ATC Mason is now the voice of the Department. When the public calls in to any of our lines, his voice greets them and guides them to the appropriate services within our Department.
- A privacy policy was added to our ATC website to ensure privacy and security to members of the public interacting with us through the Internet.
- All Comment Cards on our service from the public, good and bad, are personally reviewed by Mr. Mason and every one of them is responded to by appropriate Department staff.
- ATC Mason personally participated in receiving tax payments from the public during the property tax installment period ending April 10 and December 10, both in the High Desert temporary location and in the ATC building in San Bernardino. He enjoyed interacting with taxpayers and they were appreciative of actually being served personally by their elected tax official.
- ATC Mason initiated the Department's first ever quarterly newsletter, Dollars and Sense, with information from our ATC and from our employees. Communication is the key to success in teamwork.
- ATC Mason created a basic brochure putting each of our nine divisions and the ATC himself before the public in an eye-catching, easy to read and understand summary format.
- ATC Mason participated in employee Meet and Greets by division with open communication in a friendly, comfortable atmosphere.
- ATC Mason has spoken before many groups including Association of Government Accountants, West End Real Estate Group, California Joint Audit Managers' Committee, the Inland Empire Conservative Republicans of California, and the San Bernardino Republican Women Federated group to name a few.
- ATC Mason expanded the use of social media and greatly increased the amount of content on Facebook, Instagram and Twitter. Facebook likes went from 3 to over 1,100 in 2019. He also established the first ever ATC Yelp account. Social media icons were added to property tax bills and inserts, SAP Newsletter, SAP correspondence, ATC websites and posters.
- ATC Mason attended his first State of the County event along with other county leaders, attended SBCera meetings and conferences, the CACTTC Legislative Day in Sacramento and their annual conference, and attended the National Government Finance Officers' Association (GFOA) conference.
- Phase One of the Geographic Information System (GIS) mapping collaboration application between Property Tax and Information Technology Divisions went live in early July and provides taxpayers with detailed information on their properties.
- ATC earned three National Association of Counties (NACo) Achievement Awards for it's Cashiering System, Remittance System and the Property Tax Refund Enhancement Project.
- ATC Mason met with Chris Gardner, award winning author of The Pursuit of Happyness, and discussed motivational techniques

# MENT HIGHLIGHTS

Mr. Gardner's book was made into a major motion picture of the same name starring Will Smith.

- ATC Mason required the largest corporate taxpayers, who make aggregate tax payments to the County of \$50,000 or more in a calendar year, to submit their payment by ACH credit or wire transfer. This enables our office to more effectively process payments, provide more timely proof of transactions, and allow for quicker allocation of funds to local jurisdictions who rely upon them.
- ATC Mason added a new survey link to property tax bills to seek input from taxpayers on how to better assist them.
- ATC Mason expanded the Employee Recognition Program by recognizing employees monthly. Employees selected receive an ATC Mason departmental polo shirt, parking in the special Employee of the Month (EOM) parking spot next to the building, their photo on the wall located on the first floor near the employees' entrance, lunch with a guest of their choice and ATC Mason, and of course bragging rights as EOM.
- ATC Mason opposed legislative transparency rollback provisions for tax and bond measures. Taxpayers should have more information, not less.
- ATC Mason reached out to Trona earthquake victims notifying them that tax relief is available.
- ATC Mason increased awareness of the Property Tax Postponement program that is available to taxpayers.
- ATC Mason opposed AB 857, the Public Banking Act, which would allow politicians to raid public treasuries for projects they deem worthy.
- ATC Mason completed several ATC building improvements including the Parking Lot Replacement Project, new 268 Building Signage, the Americans with Disabilities Act (ADA) Door Enhancement Project for compliance at both public and employee entrance doors, and Building Window Security Laminate.
- ATC Mason received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR), an Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR), and the State of California Office of the State Controller Award for Counties Financial Transactions Reporting.
- ATC Mason maintained AAf/S1 Ratings from Fitch Ratings and achieved the all time record highest ever balance of \$7.925 Billion for the Investment Pool.
- ATC Mason presided over the ATC Holiday Luncheon on December 12th, which had a record attendance of over 240 employees. More than 80 prizes were raffled away while the Jazz Band from Aquinas High School entertained guests and everyone enjoyed the camaraderie with their friends.
- ATC Mason embarked on a journey to collect all the previous photos and any information available regarding the 53 men and women who served in some form of Auditor, Controller, Treasurer or Tax Collector since formation of San Bernardino County in 1853. The portraits line the first floor hallway of the ATC Building at 268 West Hospitality Lane in San Bernardino and the public is welcome to view them anytime during business hours of 8AM to 5PM, Monday through Friday.

# PREVIOUS AUDITOR-CONTROLLER

The following men and women have previously served as the elected the San Bernardino County Auditor-Controller/Treasurer/Tax Collector. a tradition of excellence in service to the taxpayers of San Bernardino

**Ensen Mason**  
Auditor-Controller/  
Treasurer/Tax Collector  
2019 – current

**Oscar Valdez**  
Auditor-Controller/  
Treasurer/Tax Collector  
Appointed 2016 – 2019

**Larry Walker**  
Auditor-Controller/  
Treasurer/Tax Collector  
1998 – 2016

**Dick Larsen**  
Treasurer-Tax Collector  
1998 – 2009

**Tom O'Donnell**  
Treasurer-Tax Collector  
1987 – 1998

**Joe Bell**  
Treasurer-Tax Collector  
1979 -1987

**Errol J. Mackzum**  
Auditor-Controller  
1979 - 1998

**John H. Bulmer**  
Auditor-Controller  
1971 - 1979

**John A. Gartner**  
Treasurer-Tax Collector  
1971 - 1979

**G. Leon Gregory**  
Tax Collector  
1948 – 1970

**Jocelyn Cox**  
Auditor-Controller  
1958 - 1971

**Paul W. Nichols**  
Auditor  
1946 - 1958

**Ray E. Williams**  
Treasurer, Ex Officio  
Tax Collector  
1943 - 1969

**Sherman Batchelor**  
Tax Collector  
1943 - 1948

**Amy Koehler**  
Tax Collector  
Acting 1942 - 1943

**John W. Batchelor**  
Tax Collector  
Appointed then  
Elected 1924 - 1942

**Vincent L. Roth**  
Auditor  
1923 - 1946

**Clarence F. Jones**  
Tax Collector  
Appointed 1922 – 1923

**C. D. Van Wie**  
Tax Collector  
1919 - 1922  
Auditor  
1910 - 1915

**Sheridan G. Berger**  
Auditor  
1915 - 1923

**M.W.H. Williams**  
Treasurer, Ex Officio  
Tax Collector  
1915 - 1943

**Louis A. Desmond**  
Tax Collector  
1908 - 1915

**C. Ernest Hammer**  
Auditor  
Appointed 1908 – 1910

**Hiram Dell Sib'ey**  
Treasurer  
1902 - 1915

**Walter D. Wagner**  
Auditor  
1898 - 1908

**L.T. Coy**  
Tax Collector  
1898 - 1908

**Will A. Boren**  
Treasurer  
1898 – 1902

# R/TREASURER/TAX COLLECTORS

or appointed leader of some function of what has become the Office of  
We appreciate their historic leadership, and strive to uphold and extend  
County.

**J.W.F. Diss**

County Clerk, Recorder,  
Auditor  
1895 – 1898

**Truman Reeves**

Treasurer  
1890 - 1892  
Tax Collector  
1894 - 1898

**George R. Holbrook**

Auditor, County Supervisor  
1892 - 1894

**H.A. Keller**

Treasurer  
1891 - 1898

**Albert G. Kendall**

Tax Collector  
1890 - 1894

**G.W. Beatty**

Treasurer  
1889 - 1890

**William L.G. Soule**

Auditor  
1888 – 1892

**Henry Goodcell, Jr.**

Auditor  
1886 - 1892

**Richard H. Stetson**

Tax Collector  
1886 – 1890

**W.G. Morse**

Tax Collector  
1884 – 1886

**S.E.A. Palmer**

Auditor  
1884 – 1886

**William F. Holcomb**

County Clerk, Recorder,  
Auditor  
1882 - 1884

**J.B. Burkhart**

Tax Collector  
1882 - 1884

**Alonzo F. McKenney**

County Clerk, Recorder,  
Auditor  
1880 - 1882

**William Davis**

Tax Collector  
1877 – 1882

**James W. Swing**

County Clerk, Recorder,  
Auditor  
1876 – 1880

**A.J. Curry**

Tax Collector, County Sheriff  
Appointed 1874 and  
Elected 1876

**Newton Noble**

Tax Collector  
1872 – 1874

**Sydney P. Waite**

County Clerk, Recorder,  
Auditor  
1870 - 1876

**Hardin Yager**

Treasurer  
1865 - 1889

**J.J. Webb**

Treasurer  
Appointed/Elected 1864 – 1865

**William S. Warren**

Auditor  
1857 – 1870

**Marcus Katz**

Treasurer  
Appointed then  
Elected 1857 - 1864

**Samuel Rolfe**

Treasurer  
1856 - 1857

**Robert R. Hopkins**

Clerk, Auditor  
Appointed then  
Elected 1854 – 1857

**David Seely**

Treasurer  
Appointed then  
Elected 1853 – 1856

# PREVIOUS BUILDINGS

These buildings are where the functions of the current San Bernardino County Auditor-Controller/Treasurer/Tax Collector were housed historically in chronological order.

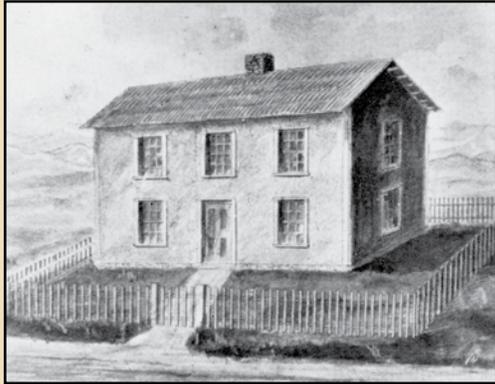


Photo: Courtesy Archives, A.K. Smiley Library

1853 – County's First Official Court House – Lyman's House. This building stood on Arrowhead between Third and Fourth Streets. All County offices were located here.



Photo: Courtesy Archives, A.K. Smiley Library

1926 - New Court House (current one on Arrowhead) - All County offices were located here until the 1940s and 1950s when other buildings were constructed throughout the County.



Photo: Courtesy Archives, A.K. Smiley Library

1874 – County's Second Court House. This building was located on the corner of Court Street and E Street. All County offices were located here.



1959 - 172 West Third Street, San Bernardino – Treasurer, Tax Collector, Auditor all occupied space at this location.

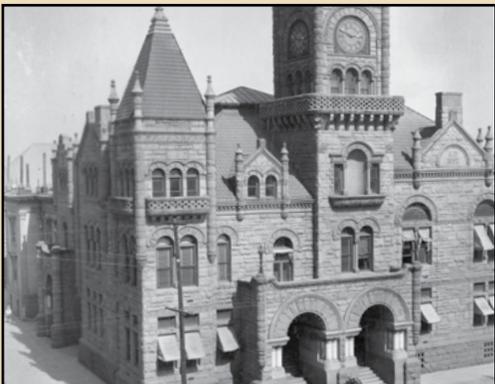


Photo: Courtesy Archives, A.K. Smiley Library

1893 – Court House extension was built in front of the "old" Court House and served the County until 1927. All County offices were located here.



1987 - 670 East Gilbert Street, San Bernardino – (county owned) - Auditor-Controller occupied space at this location until 1992.



1992 – 2015 - 222 West Hospitality Lane  
In 1992, Auditor-Controller moved to 222 West Hospitality Lane.



1996 – 2015 - Office of Central Collections - 157 West Fifth Street, San Bernardino – A Resolution approved by the Board of Supervisors on August 20, 1996 established the formation of Central Collections and added the title and additional duties of Director of Central Collections to the Treasurer/Tax Collector.



2015 – Current - 268 West Hospitality Lane  
Auditor-Controller/Treasurer/Tax Collector  
Office of Central Collections  
This building now serves as the headquarters for all taxpayers and staff in one location, including the functions of the Auditor-Controller/Treasurer/Tax Collector.



**Auditor-Controller/Treasurer/Tax Collector**

[www.SBCounty.gov/ATC](http://www.SBCounty.gov/ATC)