



# I n t e r n a l   A u d i t   D e p a r t m e n t

O R A N G E   C O U N T Y

## AUDIT HIGHLIGHT    SEPTEMBER 18, 2012

### INTERNAL CONTROL AUDIT: OC COMMUNITY RESOURCES DISBURSEMENT APPROVAL PROCESS Audit No. 1122

#### WHY IS THIS AUDIT IMPORTANT?

Between September 1, 2010 and August 31, 2011, OCCR disbursed **\$83 million in expenditures** from its four programs. OC Community Resources (OCCR) was created in March 2008 by the Board of Supervisors to provide greater access to residents and visitors who want to fully utilize the resources available in their communities. This was achieved by bringing four programs into one department: **OC Animal Care, OC Community Services, OC Parks, and OC Public Libraries**. The four programs are supported by OCCR's Administrative Services which includes OCCR Accounting. OCCR Accounting is responsible for reviewing, approving, and processing disbursements for the OCCR programs on behalf of the Auditor-Controller.

#### WHAT THE AUDITORS FOUND?

##### Successes

Our audit found **internal controls are adequate and effective** to ensure disbursements are valid, supported, and comply with County and OCCR policy. OCCR Accounting's disbursement approval process is consistent with processes in Auditor-Controller Claims & Disbursing; and OCCR's disbursement approval process is efficient and effective with regards to having no backlogs, duplication of work within OCCR, or manual processes that could be improved by automation.

##### Audit Findings and Control Recommendations

We identified **one (1) Significant Control Weakness** concerning segregation of duties and **four (4) Control Findings** to enhance existing processes and controls regarding payment processing timeframes, date stamping invoices, budgetary approval of invoices, and enhancing written procedures for supervisory/management reviews.