



# OC Board of Supervisors' Internal Audit Department

O R A N G E C O U N T Y

## AUDIT HIGHLIGHT FEBRUARY 26, 2010

INTERNAL AUDITOR'S REPORT TO THE BOARD OF SUPERVISORS

### MONTHLY PERFORMANCE REPORT OF CAATS:

Auditor-Controller, Treasurer-Tax Collector,  
Human Resources, & CEO/Purchasing –

### Duplicate Vendor Payments and Other Periodic Routines

Audit No. 2941-H

#### WHAT WE FOUND?

Duplicate Vendor Payments: Our review of \$175 million vendor disbursements processed during January 2010 found that 99.95% of invoices were paid only once. Of the 12,983 invoices processed during January 2010, we identified 6 potential duplicate payments made to vendors totaling \$42,827 or .024% of the \$175 million.

Working Retirees: As of February 18, 2010 no working retirees have exceeded annual limits of 960 or 720 hours for FY 09-10, mandated by Government Code Sections 31680.6 & 31641.04.

Employee-Vendor: In November 2009, we identified 7 potential employee-vendor matches at 6/30/09 and 9/30/09, and in January 2010, we identified 5 potential employee-vendor matches at 12/31/09.

Payroll Direct Deposit: No findings resulted from the payroll direct deposit CAAT routine this month.

Employee Delinquent Receivables (NEW): In February 2010, we identified a net remaining 30 delinquent secured property tax bills to employees totaling \$95,683 (or .04% of the \$247 million total), and a net remaining 5 delinquent unsecured property tax bills to employees totaling \$1,152 (or .004% of the \$30 million total).

#### WHY IS THIS ANALYSIS IMPORTANT?

Vendor Payments: For FY 08-09, established vendor payments were about \$1.1 billion (this amount is a subset of the total payments and does not include miscellaneous vendor payments; see report for details). To date, we have identified \$939,653 in duplicate payments made to vendors of which the County has collected \$845,560 or 94%.

Working Retirees: For FY 09-10, extra help/working retiree data as of February 18, 2010 is:

Department	No. of Working Retirees	Total FY Hours To Date
Sheriff-Coroner	76	19,268
Assessor	17	7,863
Health Care Agency	7	3,346
County Executive Office	2	1,103
OC Public Works	1	730
County Counsel	1	575
District Attorney	1	175
Treasurer-Tax Collector	1	174
Total	106	33,234

Payroll Direct Deposit: For FY 08-09, direct deposits for payroll were about \$1.3 billion.

Employee Delinquent Receivables (NEW): This new analysis is in process and the merits of continuing the analysis in the future will be evaluated upon completion of the current analysis.

#### CAATS - Cited as a Best Practice by the Institute of Internal Auditors

To access and view audit reports or obtain additional information about the OC Internal Audit Department, visit our website: [www.ocgov.com/audit](http://www.ocgov.com/audit). For more information, please contact Dr. Peter Hughes, CPA, Director of the OC Internal Audit Department at (714) 834-5475 or [peter.hughes@iad.ocgov.com](mailto:peter.hughes@iad.ocgov.com)