



Internal Audit Department

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

AUDIT HIGHLIGHT APRIL 28, 2010

RESULTS OF CONTINUOUS AUDITING USING CAATS:

Auditor-Controller, Treasurer-Tax Collector, Human Resources, & CEO/Purchasing
Duplicate Vendor Payments and Other Routines
Audit No. 2941-J

WHAT WE FOUND?

Duplicate Vendor Payments: Our review of \$190 million vendor disbursements processed during March 2010 found that 99.99% of invoices were paid only once. Of the 14,857 invoices processed during March 2010, we identified 1 potential duplicate payment made to vendors for \$1,140 or .0006% of the \$190 million.

Working Retirees: As of April 17, 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. As of April 21, 2010, HRD determined that 8 were not a conflict. Their review is in process for the remaining 4 matches.

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

Employee Delinquent Receivables: We received the receivables data from Auditor-Controller/CUBS on April 21, 2010 and our analysis is in process.

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 \$940,463 in duplicate payments made to vendors of which the County has collected \$893,962 or 95%.

Working Retirees: For FY 09-10, extra help/working retirees with hours as of April 17, 2010 is:

Department	No. of Working Retirees	Total FY Hours To Date
Sheriff-Coroner	77	23,782
Assessor	18	9,912
Health Care Agency	7	4,091
County Executive Office	2	1,362
OC Public Works	1	902
County Counsel	1	682
District Attorney	1	175
Treasurer-Tax Collector	1	246
Human Resources	1	304
Total	109	41,456

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

Employee Delinquent Receivables: 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