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ORANGE COUNTY

AUDIT HIGHLIGHT

January 24, 2011

OC FRAUD HOTLINE ACTIVITY For The Period July 1, 2010 thru December 31, 2010

Audit No. 1003-B

WHY IS THIS AUDIT IMPORTANT?

The establishment of a Hotline is a best business practice for both private and governmental entities. The County encourages employees to resolve concerns through their normal administrative channel whenever possible. However, the Orange County Internal Audit Department (OCIAD) Fraud Hotline provides an alternative reporting and investigating avenue to ensure that concerns about possible wrong doings in our County government are properly addressed.

WHAT THE AUDITORS FOUND?

We received 77 new complaints of alleged improper activities, of which 16 were actionable calls; 57 were referred calls; and 4 calls did not contain sufficient information/other for an investigation. Of the 16 actionable calls, 15 dealt with employee misconduct and 1 dealt with contractor misconduct. The allegations in 4 of the 18 cases closed were substantiated, the individual cases dealt with: the use of County equipment for non-business purposes; time abuse; and violation of Government Code. In all cases, appropriate corrective action was taken.