



Internal Audit Department

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

AUDIT HIGHLIGHT JULY 28, 2010

RESULTS OF CONTINUOUS AUDITING USING CAATS:
Auditor-Controller, Human Resources, & County Procurement Office
Duplicate Vendor Payments and Other Routines
Audit No. 1041-A

WHAT WE FOUND?

Duplicate Vendor Payments: Our review of \$205 million vendor disbursements processed during June 2010 found that **99.97% of invoices were paid only once**. Of the 22,765 invoices processed during June 2010, we identified 6 potential duplicate payments made to vendors for \$954 or .0005% of the \$205 million.

Employee-Vendor: For the period 6/30/09 – 3/31/10, we identified 13 potential employee-vendor matches. As of 7/20/10, HRD determined 12 were not a conflict. Their review is in process for the remaining 1 match. For the current quarter 6/30/10, no matches were identified.

Working Retirees: During FY 09/10, we identified two working retirees exceeding annual limits of 960 or 720 hours mandated by Government Code Sections 31680.6 & 31641.04. The excess was 4 hours each, which is less than one pay period.

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

WHY IS THIS ANALYSIS IMPORTANT?

Vendor Payments: For FY 09-10, established vendor payments were about \$2.2 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 \$955,828 in duplicate payments made to vendors of which the County has collected \$893,962 or 94%.

Working Retirees: For FY 09-10, extra help/working retirees with hours are:

Department	No. of Working Retirees	Total FY Hours To Date
Sheriff-Coroner	79	30,687
Assessor	18	12,515
Health Care Agency	8	5,135
County Executive Office	2	1,558
OC Public Works	1	922
County Counsel	1	902
District Attorney	8	887
Human Resources	1	528
Treasurer-Tax Collector	1	294
Auditor-Controller	1	199
Total	120	53,627

Payroll Direct Deposit: For FY 09-10, direct deposits for regular payroll were about \$1.3 billion.

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