1st District Janet Nguyen, Chair \mathbf{O}

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2nd District

John M.W. Moorlach

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3rd District

Bill Campbell, Vice Chair

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5th District

Patricia C. Bates

4th District

Shawn Nelson

AUDIT HIGHLIGHT OCTOBER 29, 2010

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

WHAT WE FOUND?

<u>Duplicate Vendor Payments</u>: Our review of **\$150 million** vendor disbursements processed during September 2010 found that **99.99% of invoices were paid only once.** Of the 12,960 invoices processed during September 2010, we identified **1** potential duplicate payment made to vendors totaling **\$300** or .0002% of the \$150 million.

<u>Employee-Vendor</u>: At quarter-end 9/30/10, we identified 1 employee-vendor match that was determined not to be a conflict.

<u>Working Retirees</u>: As of 9/20/10, no working retirees exceeded the annual limits of 960 or 720 hours for FY 10-11 as mandated by Government Code Sections 31680.6 & 31641.04.

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

WHY IS THIS ANALYSIS IMPORTANT?

<u>Vendor Payments</u>: 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 **\$951,058** in duplicate payments made to vendors of which the County has collected **\$904,864** or **95%**.

Department	No. of Working Retirees	Total FY Hours To Date
Sheriff-Coroner	57	8,814
District Attorney	8	1,922
Health Care Agency	9	1,444
Assessor	5	521
OC Public Works	2	337
Auditor-Controller	1	289
County Counsel	1	229
Total	83	13,556

Working Retirees: For FY 10-11, extra help/working retirees with hours as of 9/20/10:

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