

# Internal Audit Department

ORANGE OUNTY

### AUDIT HIGHLIGHT

**APRIL 28, 2011** 

## RESULTS OF CONTINUOUS AUDITING USING CAATS: Auditor-Controller, Human Resources, & County Procurement Office **Duplicate Vendor Payments and Other Routines**

Audit No. 1041-K

#### WHAT WE FOUND?

Duplicate Vendor Payments: Our review of \$172 million vendor disbursements processed during March 2011 found that 99.98% of invoices were paid only once. Of the 16,049 invoices processed during March 2011, we identified 4 potential duplicate payments made to vendors totaling \$2,435 or .001% of the \$172 million.

Employee-Vendor: All potential employee-vendor matches identified to date have been researched and resolved. We are pending employee address information from Human Resources Department to perform our next analysis at 3/31/11.

Working Retirees: As of 3/28/11, 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.

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 \$979,424 in duplicate payments made to vendors of which the County has collected \$918,138 or 94%.

Working Retirees: For FY 10-11, extra help/working retirees with hours as of 3/28/11:

	No. of Working	Total FY
Department	Retirees	Hours To Date
Sheriff-Coroner	65	29,512
District Attorney	15	7,384
Health Care Agency	10	5,668
Assessor	10	5,337
OC Public Works	2	1,383
County Counsel	1	671
Auditor-Controller	1	289
Treasurer-Tax Collector	1	120
Total	105	50,364

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