

Internal Audit Department

ORANGE OUNTY

AUDIT HIGHLIGHT MAY 18, 2011

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

WHAT WE FOUND?

Duplicate Vendor Payments: Our review of \$317 million vendor disbursements processed during April 2011 found that 99.99% of invoices were paid only once. Of the 21,656 invoices processed during April 2011, we identified two (2) potential duplicate payments made to vendors totaling \$399 or .0001% of the \$317 million.

Employee-Vendor: At 5/5/11, no potential employee-vendor conflicts were identified in the employee-vendor matches we reviewed. Our next analysis will be performed for quarter-end 6/30/11.

Working Retirees: As of 4/28/11, 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 \$979,823 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 4/28/11:

	No. of Working	Total FY
Department	Retirees	Hours To Date
Sheriff-Coroner	66	33,231
District Attorney	17	8,439
Health Care Agency	10	6,190
Assessor	10	6,155
OC Public Works	2	1,480
County Counsel	1	739
Auditor-Controller	1	289
Treasurer-Tax Collector	1	120
Total	108	56,643

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