



Internal Audit Department

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

AUDIT HIGHLIGHT

DECEMBER 22, 2011

RESULTS OF CONTINUOUS AUDITING USING CAATS: Auditor-Controller, Human Resources, & County Procurement Office Duplicate Vendor Payments and Other Routines Audit No. 1139-F

WHAT WE FOUND?

Duplicate Vendor Payments: Our review of \$177 million vendor disbursements processed during November 2011 found that **99.99% of invoices were paid only once**. Of the 12,215 invoices processed during November 2011, we identified **one (1)** potential duplicate payment made to vendors for \$895 or .0005% of the \$177 million.

Employee-Vendor: All potential employee-vendor matches identified to date have been researched and **resolved to HRD's satisfaction**. Our next analysis will be performed at December 31, 2011.

Working Retirees: As of 12/1/11, **no OC working retirees exceeded the annual limits** of 960 or 720 hours mandated by Government Code Sections 31680.6 & 31641.04.

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

In Home Supportive Services: As reported in our August 2011 CAAT report (1139-B), we identified 92 active County employees who are also IHSS providers. SSA and HRD reviewed the 92 employees and the final status is: **21** were resolved in a prior analysis performed by SSA; **58** were determined to have no conflict with County employment by HRD; and **13** have been referred to the DA's Fraud Unit for further review as more research is needed to determine any *potential* fraud. This closes out our analysis.

WHY IS THIS ANALYSIS IMPORTANT?

Vendor Payments: For FY 10-11, established vendor payments were about **\$2.4 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 **\$981,570** in duplicate payments made to vendors of which the County has collected **\$967,863** or **99%**.

Working Retirees: As of 12/1/11, OC working retiree/extra-help data is:

Department	No. of Working Retirees	Total FY Hours To Date
Sheriff-Coroner	63	21,713
District Attorney	12	4,459
Health Care Agency	11	3,809
Assessor	7	1,828
OC Public Works	2	897
County Counsel	1	445
Treasurer-Tax Collector	1	258
Human Resources	1	112
Total	98	33,521

Payroll Direct Deposit: For FY 10-11, direct deposits for regular payroll were about \$1.3 billion.

In Home Supportive Services: Evaluate IHSS providers (15,850 at 5/31/11) to identify matches with active County employees for potential conflicts of interest with County employment.

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