1st District Janet Nguyen Ο

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2nd District

John M.W. Moorlach, Chairman

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Internal Audit Department

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3rd District

Bill Campbell

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5th District

Patricia C. Bates

4th District

Shawn Nelson, Vice Chairman

ORANGE COUNTY

AUDIT HIGHLIGHT MARCH 13, 2012

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

WHAT WE FOUND?

<u>Duplicate Vendor Payments</u>: Our review of \$233 million vendor disbursements processed during February 2012 found that **99.99% of invoices were paid only once.** Of the 14,051 invoices processed during February 2012, we identified **two (2)** potential duplicate payments made to vendors totaling **\$360** or .0002% of the \$233 million.

<u>Employee-Vendor</u>: All potential employee-vendor matches identified to date have been researched and resolved to HRD's satisfaction. Our next analysis will be performed at March 31, 2012.

<u>Working Retirees</u>: As of February 23, 2012, 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.

WHY IS THIS ANALYSIS IMPORTANT?

<u>Vendor Payments</u>: 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 **\$983,295** in duplicate payments made to vendors of which the County has collected **\$970,101** or **99%**.

	No. of Working	Total FY Hours
Department	Retirees	To Date
Sheriff-Coroner	70	32,645
District Attorney	23	8,154
Health Care Agency	12	5,739
Assessor	10	3,751
OC Public Works	2	1,426
Probation	8	1,104
County Counsel	2	837
Treasurer-Tax Collector	1	518
Human Resources	2	259
Auditor-Controller	1	126
Social Services Agency	1	93
Clerk of the Board	1	92
Total	133	54,744

Working Retirees: As of February 23, 2012, OC working retiree/extra-help data is:

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

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