6th Largest Investment Pool in the Country

Critical Impact

$7.278 Billion Investment

EXAMINATION HIGHLIGHT
OCTOBER 15, 2013

REQUIRED ANNUAL EXAMINATION OF THE TREASURER'S INVESTMENT COMPLIANCE WITH GOVERNMENT CODE AND COUNTY INVESTMENT POLICIES
For the Year Ended December 31, 2012

Audit No. 1214

WHY IS THIS EXAMINATION IMPORTANT?

The purpose of this examination is to help provide assurance to the Board of Supervisors and Treasury Oversight Committee that the Treasurer has purchased only ***high quality and safe investments*** as allowed by the California Government Code and the Orange County Board of Supervisor's Investment Policy Statement. This examination is required by the California Government Code Section 27134 and was conducted in accordance with the attestation standards established by the ***American Institute of Certified Public Accountants*** (*AICPA*). This examination was made compulsory by the State Legislature as a result of the Orange County bankruptcy in 1995 as designed to protect the citizens from losses occurring from buying risky securities.

WHAT THE AUDITORS FOUND?

In our opinion, the Orange County Treasurer complied in all material respects with selected investment regulations of the California Government Code and the Orange County Treasurer Investment Policy Statement for the year ended December 31, 2012.

In addition, we examined compliance with certain requirements contained within the Resolution for the Establishment of the Treasury Oversight Committee, Bylaws and Rules of Procedures of the Treasury Oversight Committee, and County policies and procedures. We did identify one (1) non-material deficiency in internal controls.