

Internal Audit Department

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

FINAL CLOSE-OUT

FIRST FOLLOW-UP AUDIT:

INTERNAL CONTROL REVIEW OF SHERIFF-CORONER CONTRACT ADMINISTRATION AND CASH DISBURSEMENTS ORIGINAL AUDIT No. 2664

AS OF MARCH 31, 2008

Sheriff-Coroner Facilities Operations, South Operations and Financial/Administrative Services took satisfactory action to fully implement eleven (11) recommendations and close-out one (1) recommendation made during the original audit. During that audit, Facilities Operations and South Operations administered Price Agreements totaling \$2.8 million and \$4 million, respectively.

AUDIT NO: 2727-E
REPORT DATE: JUNE 19, 2008

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Transmittal Letter



AUDIT NO. 2727-E June 19, 2008

TO: Sandra Hutchens, Sheriff-Coroner

FROM: Dr. Peter Hughes, CPA, Director
Internal Audit Department

SUBJECT: **First and Final Close-Out** Follow-Up
Audit of Sheriff-Coroner Contract
Administration and Cash
Disbursements, Original Audit No.
2664, Issued July 26, 2007

We have completed a First and Final Close-Out Follow-Up Audit of Sheriff-Coroner Contract Administration and Cash Disbursements at Facilities Operations and South Operations. Our audit was limited to reviewing, as of March 31, 2008, actions taken to implement the twelve recommendations in our audit report dated July 26, 2007.

The results of our Follow-Up Audit are discussed in the **Internal Auditor's Report** following this transmittal letter. Because satisfactory action has been taken, and/or the recommendation was closed for all twelve recommendations, **this report represents the close-out of the original audit.** We commend the personnel in Facilities Operations and South Operations for their responsiveness and attentiveness in addressing our recommendations.

Each month I submit an **Audit Status Report** to the Board of Supervisors where I detail any material and significant audit findings released in reports during the prior month and the implementation status of audit recommendations as disclosed by our Follow-Up Audits. Accordingly, the results of this audit will be included in a future status report to the BOS.

ATTACHMENTS

Other recipients of this report listed on the Internal Auditor's Report on page 1.

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Sheriff-Coroner Contract Administration and Cash Disbursements
Original Audit No. 2664
Audit No. 2727-E*

As of March 31, 2008

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INTERNAL AUDITOR'S REPORT

AUDIT No. 2727-E

JUNE 19, 2008

TO: Sandra Hutchens, Sheriff-Coroner

FROM: Dr. Peter Hughes, CPA, Director
Internal Audit Department

A handwritten signature in blue ink, reading "Peter Hughes", is placed next to the "FROM:" line.

SUBJECT: **First and Final Close-Out** Follow-Up Audit of Sheriff-Coroner
Contract Administration and Cash Disbursements
Original Audit No. 2664, Issued July 26, 2007

Scope of Review

We have completed a First and Final Close-Out Follow-Up Audit of Sheriff-Coroner contract administration and cash disbursements at Facilities Operations and South Operations. Our audit was limited to reviewing, as of March 31, 2008, actions taken to implement twelve recommendations in our original audit report. During that audit, Facilities Operations and South Operations had Price Agreements totaling **\$2.8 million** and **\$4 million**, respectively.

Results

The original audit report contained twelve (12) recommendations. Our Follow-Up Audit indicated that Facilities Operations and South Operations took satisfactory action to fully implement ten (10) recommendations to enhance controls and processes over contract administration and invoice payments. We commend the personnel at Facilities Operations and South Operations for their responsiveness in addressing our recommendations. We found that Financial/Administrative Services took satisfactory action to address one (1) recommendation concerning Account Payable's contract notification process. We closed one (1) recommendation for maintaining a list of authorized individuals to approve vendor invoices because it was no longer deemed practicable.

We appreciate the cooperation and assistance extended to us by the Sheriff-Coroner divisions during our Follow-Up Audit. If you have any questions, please contact me directly or Eli Littner, Deputy Director at 834-5899, or Michael Goodwin, Senior Audit Manager at 834-6066.

Distribution Pursuant to Audit Oversight Committee Procedure No. 1:

Members, Board of Supervisors
Members, Audit Oversight Committee
Jack Anderson, Assistant Sheriff
Bill Griffin, Captain, South Operations
Rick Dostal, Executive Director, S-C Special Services



Distribution Pursuant to Audit Oversight Committee Procedure No. 1
(continued):

Bill MacDonald, Manager, S-C Facilities Operations
Jane Reyes, Director, S-C Financial/Administrative Services
Nicole Macias, Financial Officer, S-C Financial/Administrative Services
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Nasrin Soliman, Audit Manager, Financial/Administrative Services
Foreperson, Grand Jury
Darlene J. Bloom, Clerk of the Board of Supervisors