



OC Board of Supervisors' Internal Audit Department

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

AUDIT HIGHLIGHT FEBRUARY 27, 2009

OC INTERNAL AUDITOR'S EXECUTIVE REPORT

MONTHLY PERFORMANCE REPORT OF CAATS: A-C, Human Resources, & CEO/Purchasing – Duplicate Vendor Payments and Other Periodic Routines Audit No. 2844-H

WHAT WE FOUND?

Our review of \$75 million vendor disbursements processed during February 2009 found that 99.99% of invoices were paid only once. Of the 14,594 invoices processed during February 2009, we identified 2 duplicate payments made to vendors totaling \$3,991, or .005% of the \$75 million.

No findings resulted from the other CAAT routines performed this month.

WHY IS THIS ANALYSIS IMPORTANT?

Each month, the Internal Audit Department conducts a variety of performance reviews of vendor payment and payroll activity utilizing Computer-Assisted Audit Techniques (known by the acronym CAAT). Our objectives are to analyze the selected vendor payment and payroll data to identify inappropriate payment activity.

The CAAT routines allow us to identify and recover inappropriate payments, such as duplicate payments made to vendors doing business with the County. To date, we have identified **\$776,138** in duplicate payments of which the Auditor-Controller has collected **\$752,794** or **97%**.

BACKGROUND INFORMATION (SEE COMPLETE REPORT FOR DETAIL)

CAATS (Computer Assisted Audit Techniques) are automated queries using a proprietary industry recognized software product applied to large amounts of electronic data searching for specified characteristics. Resulting exceptions or findings are forwarded to the appropriate department for validation and/or resolution.

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