1st District



Internal Audit Department

NGF OUNTY

AUDIT HIGHLIGHT

JUNE 23, 2010

RESULTS OF CONTINUOUS AUDITING USING CAATS:

Auditor-Controller, Human Resources, & County Procurement Office **Duplicate Vendor Payments and Other Routines** Audit No. 2941-L

WHAT WE FOUND?

<u>Duplicate Vendor Payments</u>: Our review of \$209 million vendor disbursements processed during May 2010 found that 99.95% of invoices were paid only once. Of the 14,703 invoices processed during May 2010, we identified 8 potential duplicate payments made to vendors for \$11,746 or .006% of the \$209 million.

Employee-Vendor: For the period 6/30/09 - 3/31/10, we identified 13 potential employee-vendor matches. As of 6/11/10, HRD determined 11 were not a conflict. Their review is in process for the remaining 2 matches.

Working Retirees: As of 5/27/10, no working retirees have exceeded annual limits of 960 or 720 hours for FY 09-10, 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?

Vendor Payments: For FY 08-09, established vendor payments were about \$1.1 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 \$954,874 in duplicate payments made to vendors of which the County has collected \$893,962 or 95%.

Working Retirees: For FY 09-10, extra help/working retirees with hours as of 5/27/10:

Department	No. of Working Retirees	Total FY Hours To Date
Sheriff-Coroner	77	27,822
Assessor	18	11,453
Health Care Agency	8	4,706
County Executive Office	2	1,491
OC Public Works	1	922
County Counsel	1	798
District Attorney	4	227
Treasurer-Tax Collector	1	294
Human Resources	1	352
Auditor-Controller	1	112
Total	114	48,177

Payroll Direct Deposit: For FY 08-09, direct deposits for payroll were about \$1.3 billion.

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