



Orange County Auditor-Controller Internal Audit



First and Final Close-Out
Follow-Up Internal Control Audit:
OC Community Resources/OC Parks
Special Revenue Fund 405

As of November 30, 2017

Audit Number 1735-A (Reference 1422-F1)
Report Date: February 27, 2018



O R A N G E C O U N T Y
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ERIC H. WOOLERY, CPA
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Transmittal Letter

Audit No. 1735-A
(Reference 1422-F1)

February 27, 2018

TO: Dylan Wright, Director
OC Community Resources

SUBJECT: First and Final Close-Out Follow-Up Internal Control Audit:
OC Community Resources/OC Parks Special Revenue Fund 405
Original Audit 1422, Issued May 30, 2017

We have completed our First and Final Close-Out Follow-Up Internal Control Audit: OC Community Resources (OCCR)/OC Parks as of November 30, 2017. Our final report is attached for your review.

An **Audit Status Report** is submitted quarterly to the Audit Oversight Committee (AOC) and to the Board of Supervisors (BOS) detailing any critical and significant audit findings released in reports during the prior quarter and the implementation status of audit recommendations as disclosed by our Follow-Up Audits. Accordingly, the results of this Follow-Up Audit will be included in future status reports to the AOC and BOS.

Eric H. Woolery, CPA
Auditor-Controller

Attachments

Other recipients of this report:

- Members, Board of Supervisors
- Members, Audit Oversight Committee
- Frank Kim, County Executive Officer
- Cymantha Atkinson, Deputy Director of OCCR
- Thea Bullock, Director of Compliance, OCCR
- Bryan Rayburn, Business Office Manager, OCCR
- Stacy Blackwood, Director of OC Parks, OCCR
- Kirk Holland, Business Manager, OCCR/OC Parks
- Connie Chang, Finance and Strategic Planning Manager, OCCR
- Nicole Nguyen, Budget Manager, OCCR/OC Parks
- Lyndsay Brennan, Budget Manager, OCCR/OC Parks
- Lydia Garcia, Contract Development Manager, OCCR
- Nina Campmas, Contract Manager & Cal Card Administration Manager, OCCR
- Fue Tuiuteleleapaga, Procurement Manager, OCCR
- Tonya Riley, Director of Satellite Accounting Operations, Auditor-Controller
- Win Swe, Accounting Manager III, Auditor-Controller/OCCR Accounting Services
- Foreperson, Grand Jury
- Robin Stieler, Clerk of the Board of Supervisors
- Macias Gini & O'Connell LLP, County External Auditor



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Internal Auditor's Report

**Audit No. 1735-A
(Reference 1422-F1)**

February 27, 2018

TO: Dylan Wright, Director
OC Community Resources

FROM: Eric H. Woolery, CPA
Auditor-Controller

SUBJECT: First and Final Close-Out Follow-Up Internal Control Audit:
OC Community Resources/OC Parks Special Revenue Fund 405
Original Audit 1422, Issued May 30, 2017

SCOPE

We have completed a First and Final Close Out Follow-Up Internal Control Audit: OC Community Resources (OCCR)/OC Parks Special Revenue Fund 405. Our audit was limited to reviewing actions taken, as of November 30, 2017, to implement the **two (2) recommendations** from our original audit issued on May 30, 2017.

BACKGROUND

We completed an Internal Control Audit over OCCR/OC Parks Special Revenue Fund 405 to ensure the fund is used for its specific purpose, and to determine whether internal controls are in place to ensure Fund 405 transactions are valid, adequately supported, processed timely, and properly approved for the year ended June 30, 2016. The original audit identified **two (2) Control Findings**.

RESULTS

Our First Follow-Up Audit found that OCCR/OC Parks **implemented the two (2) recommendations** from the original audit. Because the recommendations were implemented, **this report represents the final close-out of the original audit.**

Based on our First Follow-Up Audit, the following is the implementation status of the two (2) original recommendations:

Finding No. 1 – Active OC Expediter User Accounts for Former Employees (Control Finding)

Recommendation No. 1: We recommend OCCR perform periodic reviews of OC Expediter user accounts. We also recommend OCCR ensure user roles in OC Expediter are deactivated when personnel are terminated or transferred from OCCR.

Current Status: Implemented. In October 2017, OCCR performed a review of OC Expediter user accounts. Based on the review, OCCR added, changed, or deactivated user roles in OC Expediter as appropriate. OCCR intends to perform this review semi-annually. We verified the terminated/transferred staff noted in the original audit had their access deactivated. Because of the actions taken by OCCR, we consider this recommendation implemented.



Internal Auditor's Report

Finding No. 2 – COFA Document for Fund 405 Needs to be Created (Control Finding)

Recommendation No. 2: We recommend OCCR/OC Parks partner with the Auditor-Controller to establish a COFA for Fund 405.

Current Status: Implemented. We reviewed and found that OCCR/OC Parks established a COFA (Chart of Accounts) for Fund 405 that included all the required elements of CAM (County Accounting Manual) F-3. Because of the actions taken by OCCR/OC Parks, we consider this recommendation implemented.

We appreciate the assistance extended to us by OCCR/OC Parks personnel during our Follow-Up Audit. If you have any questions, please contact me directly at (714) 834-2456 or Scott Suzuki (Director of Internal Audit) at (714) 834-5509.



Internal Auditor's Report

ATTACHMENT A: Follow-Up Audit Implementation Status

For purposes of reporting the implementation status of our audit recommendations, we utilize four distinct categories:

Implemented	In Process	Not Implemented	Closed
The department has implemented our recommendation in all respects as verified by the follow-up audit. No further follow-up is required.	The department is in the process of implementing our recommendation. Additional follow-up may be required.	The department has taken no action to implement our recommendation. Additional follow-up may be required.	Circumstances have changed surrounding our original finding/recommendation that: (1) make it no longer applicable or (2) the department has implemented and will only implement a portion of our recommendation. No further follow-up is required.
