

Orange County Auditor-Controller Internal Audit



Report on Review of the Schedule of Assets Held by the County Treasury as of December 31, 2015

Audit Number 1549 Report Date: July 19, 2016



Eric H. Woolery, CPA Orange County Auditor-Controller

Toni Smart, CPA Scott Suzuki, CPA, CIA, CISA Carol Swe, CPA, CIA Michael Steinhaus, CPA Scott Kim, CPA Director, Internal Audit Assistant Director Senior Audit Manager Audit Manager I

Senior Auditor

12 Civic Center Plaza, Room 200 Santa Ana, CA 92701

Auditor-Controller Web Site www.ac.ocgov.com



ERIC H. WOOLERY, CPA AUDITOR-CONTROLLER

Transmittal Letter



Audit No. 1549

July 19, 2016

- TO: Members, Board of Supervisors Chairwoman Lisa A. Bartlett, 5th District Supervisor Vice Chair Michelle Steel, 2nd District Supervisor Supervisor Andrew Do, 1st District Supervisor Todd Spitzer, 3rd District Supervisor Shawn Nelson, 4th District
- **SUBJECT:** Report on Review of the Schedule of Assets Held By the County Treasury As of December 31, 2015

We have completed our Report on Review of the Schedule of Assets Held by the County Treasury as of December 31, 2015. Our final report is attached for your review.

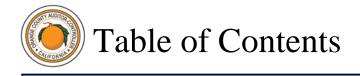
I submit an **Audit Status Report** quarterly to the Audit Oversight Committee (AOC) and a monthly report to the Board of Supervisors (BOS) where I detail any critical and significant audit findings released in reports during the prior month and the implementation status of audit recommendations as disclosed by our Follow-Up Audits. Although there were no findings noted during this review, the results will be included in future status reports to the AOC and BOS.

Additionally, we will request your department to complete a **Customer Survey** of Review Services. You will receive the survey shortly after the distribution of our final report.

Toni Smart, CPA, Director Auditor-Controller Internal Audit Division

Attachments

Other recipients of this report: Members, Audit Oversight Committee Members, Treasury Oversight Committee Eric H. Woolery, Auditor-Controller Shari L. Freidenrich, Treasurer-Tax Collector Frank Kim, County Executive Officer Michelle Aguirre, Chief Financial Officer Paul C. Gorman, Chief Assistant Treasurer-Tax Collector – Treasury Claire Moynihan, Director, Central Accounting Operations, Auditor-Controller Foreperson, Grand Jury Robin Stieler, Clerk of the Board of Supervisors Macias Gini & O'Connell LLP, County External Auditor



Report on Review of the Schedule of Assets Held By the County Treasury Audit No. 1549

As of December 31, 2015

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July 19, 2016

Independent Accountant's Review Report

We have reviewed the accompanying Schedule of Assets Held by the County Treasury—Modified Cash-Basis (financial schedule) of the County of Orange, California, as of December 31, 2015, pursuant to Government Code Section 26920(a)(1) and (3). A review includes primarily applying analytical procedures to management's financial data and making inquiries of department management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial schedule as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial schedule in accordance with the modified cash-basis of accounting; this includes determining that the basis of accounting the Treasurer-Tax Collector uses for financial reporting is an acceptable basis for the preparation of financial schedules in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial schedule for it to be in accordance with the basis of accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial schedule in order for it to be in accordance with the modified cash-basis of accounting.

Basis of Accounting

The financial schedule is prepared on the modified cash-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

This report is intended for the information of the Board of Supervisors and the management of the Orange County Auditor-Controller. However, this report is a matter of public record and its distribution is not limited.

Toni Smart, CPA, Director Auditor-Controller Internal Audit Division



Schedule of Assets Held by the County Treasury



OFFICE OF THE TREASURER-TAX COLLECTOR

COUNTY OF ORANGE P.O. BOX 4515 SANTA ANA, CALIFORNIA 92702-4515

(714) 834-7625 FAX: (714) 834-2912 ocgov.com

Treasurer@ttc.ocgov.com

TREASURER-TAN CO

SHARI L. FREIDENRICH, CPA TREASURER-TAX COLLECTOR

SCHEDULE OF ASSETS HELD BY THE COUNTY TREASURY

AS OF DECEMBER 31, 2015

	ASSETS							
		County Pool		Educational Pool		Non-Pooled		Total
CASH								
Cash On Hand	\$	37,389	\$	5 <u>4</u> 1	\$	-	\$	37,389
Bank Demand Accounts		2,856,273		40,000		-		2,896,273
Total Cash	\$	2,893,662	\$	40,000	\$	-	\$	2,933,662
 Orange County Money Market Fun Extended Fund 	d	1,720,712,911 2,512,209,051		-		-		1,720,712,911 2,512,209,051
Orange County Educational Investm	ent l	Pool (OCEIP):						
Orange County Educational Money Market Fund				1,925,021,216				1,925,021,216
Extended Fund				2,523,807,840				2,523,807,840
Non-Pooled						300,074,435		300,074,435
	\$	4,232,921,962	\$	4,448,829,056	\$	300,074,435	\$	8,981,825,453
Total Investments								

SHABLL. FREIDENRICH, CPA, CCMT, CPFA, ACPFIM Treasurer-Tax Collector

Mission: Ensure safe and timely receipt, deposit, collection and investment of public funds.