



Internal Audit Department

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

AUDIT HIGHLIGHT

FEBRUARY 19, 2014

RESULTS OF CONTINUOUS AUDITING USING CAATS – FEBRUARY 2014 Auditor-Controller, Human Resource Services, & County Procurement Office Audit for Duplicate Vendor Payments and Other Periodic Routines Audit No. 1349-H

WHAT WE FOUND?

Duplicate Vendor Payments: Our review of \$313 million vendor disbursements processed during January 2014 found that 99.99% of invoices were paid only once. Of the 19,721 invoices processed during January 2014, we identified one (1) potential duplicate payment totaling \$147 made to a vendor.

Employee-Vendor: This routine is performed on a quarterly basis and was not performed in February. All employee-vendor potential conflicts identified to date have been researched and resolved.

Working Retirees: As of January 23, 2014, no OC working retirees exceeded the fiscal year 2013-2014 limits of 960 or 720 hours mandated by Government Code Sections 31680.6 & 31641.04.

Payroll Direct Deposits: No findings resulted from the payroll direct deposit CAAT routine this month.

WHY IS THIS ANALYSIS IMPORTANT?

Duplicate Vendor Payments: For FY 12-13, established vendor payments were about \$2.6 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 \$1,026,086 in duplicate payments made to vendors of which the County has recovered \$1,013,950 or 99%.

Working Retirees: As of January 23, 2014, OC working retiree/extra-help hours were:

| Department | No. of Working Retirees | FY 13-14 Hours |
|------------------------------|-------------------------|----------------|
| Sheriff-Coroner | 91 | 34,918 |
| District Attorney | 34 | 15,859 |
| Assessor | 14 | 5,211 |
| Probation | 12 | 4,705 |
| Health Care Agency | 11 | 2,911 |
| OC Public Works | 4 | 1,989 |
| Social Services Agency | 4 | 1,659 |
| Human Resource Services | 2 | 809 |
| Treasurer-Tax Collector | 1 | 504 |
| BOS 2 nd District | 1 | 397 |
| OC Community Resources | 1 | 261 |
| Child Support Services | 1 | 16 |
| Total | 176 | 69,239 |

Payroll Direct Deposits: For FY 12-13, direct deposits for regular payroll were about \$1.3 billion.

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