



# Internal Audit Department

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

## AUDIT HIGHLIGHT JULY 31, 2012

### RESULTS OF CONTINUOUS AUDITING USING CAATS: Auditor-Controller, Human Resources, & County Procurement Office Duplicate Vendor Payments and Other Routines Audit No. 1238-A

#### WHAT WE FOUND?

Duplicate Vendor Payments: Our review of \$202 million vendor disbursements processed during June 2012 found that 99.99% of invoices were paid only once. Of the 31,869 invoices processed during June 2012, we identified two (2) potential duplicate payments made to vendors totaling \$315 of the \$202 million.

Employee-Vendor: For the quarter-ended June 30, 2012, one (1) potential employee-vendor conflict was identified in the employee-vendor matches we reviewed. This match has been submitted to the Human Resources Department (HRD) for further evaluation. Our next analysis will be performed at September 30, 2012.

Working Retirees: For FY 11-12, no OC working retirees exceeded the annual fiscal year limits of 960 or 720 hours 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?

Duplicate Vendor Payments: For FY 10-11, established vendor payments were about \$2.4 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 \$983,910 in duplicate payments made to vendors of which the County has collected \$973,068 or 99%.

Working Retirees: OC working retiree/extra-help data for FY 11-12:

Department	No. of Working Retirees	Final Hours FY 11-12
Sheriff-Coroner	92	54,392
District Attorney	29	17,655
Health Care Agency	15	7,614
Assessor	12	7,196
Probation	9	5,283
OC Public Works	2	1,854
County Counsel	2	1,683
Treasurer-Tax Collector	1	899
Auditor-Controller	1	688
Social Services Agency	2	501
Human Resources	2	488
Child Support Services	1	460
Clerk of the Board	1	166
John Wayne Airport	1	133
Total	170	99,012

Payroll Direct Deposit: For FY 10-11, direct deposits for regular payroll were about \$1.3 billion.

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