

INTERNAL AUDIT DEPARTMENT COUNTY OF ORANGE

Recipient of the Institute of Internal Auditors
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REPORT ON REVIEW OF THE STATEMENT OF ASSETS HELD BY THE COUNTY TREASURY

AS OF MARCH 31, 2006

AUDIT NUMBER: 2569 REPORT DATE: MAY 31, 2006

Audit Director: Peter Hughes, Ph.D., CPA
Deputy Director: Eli Littner, CPA, CIA, CISA
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Report on Review of the Statement of Assets Held by the County Treasury

As of March 31, 2006

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COUNTY OF ORANGE INTERNAL AUDIT DEPARTMENT

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Office of the Director DR. PETER HUGHES

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Transmittal Letter

Audit No. 2569

May 31, 2006

TO: Members, Board of Supervisors

FROM: Peter Hughes, Ph.D., CPA, Director

Internal Audit Department

SUBJECT: Report on Review of the Statement of Assets Held

by the County Treasury, As of March 31, 2006

At the request of the Auditor-Controller, we have completed our Report on Review of the Statement of Assets held by the County Treasury as of December 31, 2005.

Other recipients of this report:

Members, Audit Oversight Committee

Thomas G. Mauk, County Executive Officer

David E. Sundstrom, Auditor-Controller

Jan Grimes, Assistant Auditor-Controller, Central Operations

John M.W. Moorlach, Treasurer-Tax Collector

Chriss W. Street, Assistant Treasurer-Tax Collector

Paul C. Gorman, Deputy Treasurer

Foreperson, Grand Jury

Darlene J. Bloom, Clerk of the Board of Supervisors



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INTERNAL AUDITOR'S REPORT

Audit No. 2569

May 30, 2006

Members, Board of Supervisors Hall of Administration Building 10 Civic Center Center Plaza Santa Ana, CA 92701

Pursuant to Government Code §26920(a), we have reviewed the accompanying Statement of Assets Held by the County Treasury as of March 31, 2006 (financial statement) in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in this financial statement is the representation of the management of the Treasurer's Office.

A review consists primarily of inquiries of Treasury personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, with the exception of the matter described in the following paragraph, we are not aware of any material modifications that should be made to the accompanying financial statement prepared on the cash basis, as modified, which is a comprehensive basis of accounting other than United States generally accepted accounting principles.

Management has elected to omit all disclosures ordinarily included in a financial statement prepared on the cash basis, as modified. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Treasurer's assets. Accordingly, this financial statement is not designed for those who are not informed about such matters.

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

Sincerely,

Peter Hughes, I.D., CPA Director, Internal Audit



OFFICE OF THE TREASURER-TAX COLLECTOR

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JOHN M.W. MOORLACH, C.P.A., CFP® TREASURER-TAX COLLECTOR

CHRISS W. STREET ASSISTANT TREASURER-TAX COLLECTOR

PAUL C. GORMAN, C.P.A., CTP DEPUTY TREASURER

WALTER DANIELS DEPUTY TAX COLLECTOR

ROBIN RUSSELL DEPUTY TREASURER-TAX COLLECTOR ADMINISTRATION

CLARISSA ADRIANO-CERES DEPUTY TREASURER-TAX COLLECTOR INFORMATION TECHNOLOGY

BRETT R. BARBRE DEPUTY TREASURER-TAX COLLECTOR PUBLIC INFORMATION OFFICER

STATEMENT OF ASSETS HELD BY THE COUNTY TREASURY **AS OF MARCH 31, 2006**

ASSETS

| | County Pool | | Educational Pool | | Non-Pooled | | Total | |
|--------------------------------|----------------|------------|---------------------|-------------|------------|------------|---------------------|--|
| CASH | | | | | | | | |
| Cash on Hand | \$ | 100,060 | \$ | - | \$ | _ | \$ 100,060 | |
| Demand Accounts | 2 | 28,343,038 | | 3,547,544 | | 31,369 | 31,921,951 | |
| Total Cash | 2 | 28,443,098 | | 3,547,544 | | 31,369 | 32,022,011 | |
| INVESTMENTS, stated at cost | | | | | | | | |
| Orange County Investment Pool: | | | | | | | | |
| Money Market Fund | 1,95 | 52,915,761 | | | | | 1,952,915,761 | |
| Extended Fund | 1,14 | 19,710,564 | | | | | 1,149,710,564 | |
| Orange County Educational Pool | : | | | | | | | |
| Money Market Fund | | | 1,9 | 973,413,245 | | | 1,973,413,245 | |
| Extended Fund | | | - | 550,000,000 | | | 550,000,000 | |
| Non-pooled | | | | | | 66,310,538 | 66,310,538 | |
| Total Investments | 3,10 | 2,626,325 | 2,5 | 523,413,245 | | 66,310,538 | 5,692,350,108 | |
| TOTAL ASSETS | \$ 3,13 | 1,069,423 | \$ 2,5 | 526,960,789 | \$ | 66,341,907 | \$ 5,724,372,119 | |

John M. W. Moorlach, C.P.A., CFP®

Treasurer-Tax Collector