



# I n t e r n a l A u d i t D e p a r t m e n t

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

## AUDIT HIGHLIGHT MARCH 23, 2012

### OC FRAUD HOTLINE ACTIVITY For The Period July 1, 2011 thru December 31, 2011

**Audit No. 1103-B**

#### WHY IS THIS AUDIT IMPORTANT?

The establishment of a Hotline is a best business practice for both private and governmental entities. The County encourages employees to resolve concerns through their normal administrative channel whenever possible. However, the Orange County Internal Audit Department (OCIAD) Fraud Hotline provides an alternative reporting and investigating avenue to ensure that concerns about possible wrong doings in our County government are properly addressed.

#### WHAT THE AUDITORS FOUND?

We received 85 new complaints of alleged improper activities, of which 37 were actionable calls; 42 were referred calls; and 6 calls did not contain sufficient information for an investigation. Of the 37 actionable calls, all dealt with employee misconduct. The allegations in 8 of the 34 cases closed were substantiated. The individual cases dealt with: hostile work environment; misconduct by managers and executives; violation of County procurement policies; issues regarding ATS reengineering project; non-compliance with EEO Policy; time abuse; and using County resources for non-business purposes. In all cases, appropriate corrective action was taken.