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REPORT ON REVIEW OF THE STATEMENT OF ASSETS HELD BY THE COUNTY TREASURY AS OF JUNE 30, 2009



Job Number 1027 Report Date: September 14, 2009



Orange County Auditor-Controller David E. Sundstrom, CPA



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Report on Review of the Statement of Assets Held by the County Treasury

As of June 30, 2009

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Transmittal Letter

Job No. 1027

September 14, 2009

TO: Members, Board of Supervisors

SUBJECT: Report on Review of the Statement of Assets Held by the

County Treasury as of June 30, 2009

We have completed our Report on Review of the Statement of Assets held by the County Treasury as of June 30, 2009. Enclosed is a copy of the report.

David E. Sundstrom Auditor-Controller

NI:lr Enclosure

Other recipients of this report:

Members, Audit Oversight Committee
Thomas G. Mauk, County Executive Officer
Darlene J. Bloom, Clerk of the Board of Supervisors
Chriss W. Street, Treasurer-Tax Collector
Paul C. Gorman, Chief Assistant Treasurer-Tax Collector
Jan Grimes, Director, Central Accounting Operations
Auditor-Controller
Foreperson, Grand Jury



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INTERNAL AUDITOR'S REPORT

Job No. 1027

September 14, 2009

Members, Board of Supervisors Hall of Administration Building 333 W. Santa Ana Blvd., 5th Floor 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 June 30, 2009 (financial statement). All information included in this financial statement is the representation of the management of the Treasurer's Office.

Our review was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. A review consists principally of inquires of department personnel and analytical procedures applied to financial data. The Treasurer prepared a statement showing the amount and type of assets in the County Treasury as of June 30, 2009. Our review included the following procedures:

- (1) Counting cash in the County Treasury and confirming cash and investments held on behalf of the Treasurer.
- (2) Verifying that the records of the County Treasury and Auditor-Controller are reconciled for cash and investment accounts.

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.

Members, Board of Supervisors September 14, 2009

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.

The Treasurer-Tax Collector's Treasury Accounting/Compliance Unit maintains and reconciles the accounting records and financial systems for all cash and investments held by the Treasurer. Treasury accounting staff utilizes the Treasury Fund Accounting System to track each fund's cash activity.

The Auditor-Controller is elected by and accountable to the citizens of Orange County. The Auditor-Controller General Ledger Unit is responsible for the reconciliation of the Treasurer's cash fund balances to the County general ledger. We are disclosing this relationship because the Controller's role may be perceived as a potential impairment to our independence. However, the Internal Audit Unit that conducted this review is organizationally located outside of the line-management function of the Auditor-Controller's Office and is not responsible for the recordation or reconciliation of financial transactions. The Internal Audit Unit reports administratively to the elected Auditor-Controller.

Nevertheless, the reader of this report is advised to consider the above disclosure when using this report.

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.

Nancy N. Ishida, CPA Audit Manager

NI:lr Attachment

Other recipients of this report:

Members, Audit Oversight Committee
Thomas G. Mauk, County Executive Officer
Darlene J. Bloom, Clerk of the Board of Supervisors
David E. Sundstrom, Auditor-Controller
Jan Grimes, Director, Central Accounting Operations
Auditor-Controller
Chriss W. Street, Treasurer-Tax Collector
Paul C. Gorman, Chief Assistant Treasurer-Tax Collector
Foreperson, Grand Jury

OFFICE OF THE TREASURER-TAX COLLECTOR

CHRISS W. STREET TREASURER-TAX COLLECTOR



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ROBIN RUSSELL ASSISTANT TREASURER-TAX COLLECTOR ADMINISTRATION

September 11, 2009 STATEMENT OF ASSETS HELD BY THE COUNTY TREASURY AS OF JUNE 30, 2009

	ASSETS			
-	County Pool	Educational Pool	Non-Pooled	Total
CASH				
Cash on Hand	\$ 3,130	\$ -	\$ -	\$ 3,130
Demand Accounts	10,040,597	(8,811,622)	32,589	1,261,564
Total Cash	10,043,727	(8,811,622)	32,589	1,264,694
INVESTMENTS, stated at cost				
Orange County Investment Pool:				
Money Market Fund	1,716,171,781			1,716,171,781
Extended Fund	1,373,709,488			1,373,709,488
OC Extended Fund B	27,054,971			27,054,971
Orange County Educational Pool:				
Money Market Fund		1,402,398,104		1,402,398,104
Extended Fund		1,324,094,867		1,324,094,867
OC Extended Fund B		25,905,133		25,905,133
Non-Pooled			96,791,804	96,791,804
Total Investments	3,116,936,240	2,752,398,104	96,791,804	5,966,126,148
TOTAL ASSETS	\$ 3,126,979,967	\$ 2,743,586,482	\$ 96,824,393	\$ 5,967,390,842

Chriss W. Street Treasurer-Tax Collector

See accompanying Internal Auditor's Report

Report on Review of Statement of Assets Held by the County Treasury As of June 30, 2009 Job No. 1027