

# OC Board of Supervisors' Internal Audit Department

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



## AUDIT HIGHLIGHT

August 28, 2008

INTERNAL AUDITOR'S REPORT TO THE BOARD OF SUPERVISORS

### INTERNAL CONTROL REVIEW OF CLERK-RECORDER SOUTH COUNTY BRANCH OFFICE – CASH RECEIPTS PROCESS AUDIT NO. 2723

#### WHAT WE FOUND?

We audited the internal controls over cash receipts at the Clerk-Recorder's South County Branch Office where **\$927,458 in cash receipts** were received between April 1, 2007 and March 31, 2008. We found overall internal controls and processes are in place to ensure cash receipts are received, recorded, deposited and safeguarded in accordance with County Accounting Procedures and the Clerk-Recorder's policies and procedures. **No material weaknesses or significant issues were noted.** We noted **six (6) audit findings and recommendations** to enhance controls and processes, and Clerk-Recorder management concurred with all six recommendations.

#### WHY WE DID THIS AUDIT?

We conducted this audit based upon our annual County-wide Risk Assessment. The Clerk-Recorder's Office is responsible for examining and recording all documents that deal with establishing ownership of land in the County and maintains a permanent record of all documents for public access. The department maintains and provides certified copies of birth, death, and marriage certificates for the public. In addition, the department issues marriage licenses, performs civil wedding ceremonies, files fictitious business name statements, processes passport applications, files notary public oaths and bonds, and registers professional photocopies. The Clerk-Recorder Office processed approximately **\$55 million** in cash receipts during the audit period, including the \$927,458 received at the branch office. The South County Branch Office had not been subject to an internal audit since it opened in February 2006.

#### WHY IS THIS AUDIT IMPORTANT?

The Board of Supervisors and County executive management are accountable for the financial stewardship of the County. This audit provided an objective, independent evaluation of internal controls over the cash receipts process at the Clerk-Recorder South County Branch Office to ensure transactions are processed completely, accurately, timely, and that cash receipts and critical business forms are safeguarded from loss or misuse.

#### BACKGROUND & INFORMATION (SEE COMPLETE AUDIT REPORT FOR DETAIL)

The Clerk-Recorder opened the South County Branch Office in February 2006 to provide South County residents a more convenient location for obtaining Clerk-Recorder services. In its first two years, the office has served 34,000 customers, married 1,600 couples, issued 5,600 marriage licenses and issued 61,000 copies of birth, death and marriage certificates.

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