



Internal Audit Department

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

AUDIT HIGHLIGHT AUGUST 31, 2010

RESULTS OF CONTINUOUS AUDITING USING CAATS: Auditor-Controller, Human Resources, & County Procurement Office Duplicate Vendor Payments and Other Routines Audit No. 1041-B

WHAT WE FOUND?

Duplicate Vendor Payments: Our review of **\$340 million** vendor disbursements processed during July 2010 found that **99.99% of invoices were paid only once**. Of the 10,415 invoices processed during July 2010, we identified **1** potential duplicate payment made to vendors for **\$786** or .0002% of the \$340 million.

Employee-Vendor: At quarter-end 3/31/10, we identified **1** potential employee-vendor match that was included in our May report and submitted to HRD for further review. As of 8/27/10, HRD determined this match was not a conflict. All potential employee-vendor matches identified to date have been researched and resolved.

Working Retirees: As of 8/25/10, **no working retirees exceeded the annual limits** of 960 or 720 hours for FY 10-11 as 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?

Vendor Payments: For FY 09-10, established vendor payments were about **\$2.2 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 **\$949,668** in duplicate payments made to vendors of which the County has collected **\$904,864** or **95%**.

Working Retirees: For FY 10-11, extra help/working retirees with hours as of 8/25/10:

Department	No. of Working Retirees	Total FY Hours To Date
Sheriff-Coroner	57	6,112
District Attorney	8	1,157
Health Care Agency	8	885
Auditor-Controller	1	231
Assessor	2	201
OC Public Works	2	149
County Counsel	1	135
Total	79	8,870

Payroll Direct Deposit: For FY 09-10, direct deposits for regular payroll were about \$1.3 billion.

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