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# Audit Plan and Risk Assessment FY 2010-11

Approved by the Audit Oversight Committee on June 3, 2010, Item 6

Report No. 2901

### **Risk Assessment Team**

Dr. Peter Hughes, Director of Internal Audit Eli Littner, Deputy Director Michael Goodwin, Senior Audit Manager Autumn McKinney, Senior IT Audit Manager Michael Dean, Audit Manager Wilson Crider, IT Audit Manager Renee Aragon, Administrative Manager

### **RISK BASED AUDITING**

GAO & IIA Peer Review Compliant - 2001, 2004, 2007



2009 Association of Certified Fraud Examiners' Hubbard Award for the Most Outstanding Article of the Year



2008 Association of Local Government Auditors' Bronze Website Award

2005 Institute of Internal Auditors' Award for Recognition of Commitment to Professional Excellence, Quality, and Outreach



# CInternal Audit Department

### **RISK BASED AUDITING**

GAO & IIA Peer Review Compliant - 2001, 2004, 2007

**Providing Facts and Perspectives Countywide** 

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To access and view audit reports or obtain additional information about the OC Internal Audit Department, visit our website: <a href="https://www.ocgov.com/audit">www.ocgov.com/audit</a>





# etter from Dr. Peter Hughes, CPA

### TRANSMITTAL LETTER



Report No. 2901 July 27, 2010

TO: Honorable Members.

**Board of Supervisors** 

FROM: Dr. Peter Hughes, CPA

Director of Internal Audit

SUBJECT: FY 2010-11 Audit Plan and

Risk Assessment

Per Resolution No. 95-271, the Board directed the Audit Oversight Committee (AOC) to act in an oversight capacity to the Internal Audit Department (IAD) and to approve the Annual Audit Plan.

For the 11<sup>th</sup> consecutive year I am pleased to present the approved *FY 2010-11 Audit* Plan and Risk Assessment. This comprehensive report details our plan for audits and reviews in the upcoming fiscal year and incorporates the results of our extensive risk assessment.

In accordance with the Board's adopted Internal Audit Department Charter, "The Internal Audit Department reserves resources to accommodate Board of Supervisors requests. Individual Board members desiring specific audit projects shall place on the Board Agenda their proposal for review and approval by Board majority. The County Internal Auditor reserves the right to determine how to best fit the Board directed review into the audit plan." Any revisions or changes to the audit plan throughout the year are made in IAD's Quarterly Status Report and approved by the AOC.

The AOC reviewed and approved the FY 10-11 Audit Plan and Risk Assessment on June 3, 2010. Accordingly I am presenting it to the Board of Supervisors as part of my required monthly Audit Status Report to the Board.

We would like to acknowledge the professionalism and cooperation extended to us by the management of the various County agencies/departments during our Risk Assessment process.

I look forward to another successful year of audit coverage and service to Orange County.

**Audit Oversight Committee Members** CC:

> Chairman David Sundstrom, Auditor-Controller Vice-Chair Dr. David Carlson, Public Member Supervisor Janet Nguyen, Chair of the Board Supervisor Bill Campbell, Vice-Chair of the Board County Executive Officer Thomas Mauk

Treasurer-Tax Collector Chriss Street



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## FY 2010-11 Audit Plan

### **EXECUTIVE SUMMARY**

### MISSION STATEMENT

The mission of the County of Orange's Internal Audit Department is to provide *reliable*, *independent*, *objective evaluations* and business and *financial advisory services* to the Board of Supervisors and County executive management. Our role is to assist both parties with their important business and financial decisions; as well as, to contribute to protecting and safeguarding the County's resources and assets.

We support and assist the **Board of Supervisors** and **County Executive Management** in the accomplishment of their functional business goals and objectives. Our contribution to this effort is testing and reporting on their internal control systems and processes. County executive management is responsible for establishing and maintaining these control processes because they must rely on these systems and processes in managing their complex organizations. These systems and processes are used for safeguarding the County's assets and resources, and for reasonable, prudent, and effective financial stewardship and for accurate recording and reporting.

### PUBLIC SECTOR GOVERNANCE AND THE ROLES OF INTERNAL AUDIT

Public sector governance encompasses the policies, procedures, processes and internal controls used to direct an organization's activities to provide *reasonable assurance* that objectives are met and that operations are carried out in an ethical and accountable manner. Governance relates to the means by which goals are established and accomplished; ensures government credibility; and assures appropriate behavior of government officials by reducing the risk of public corruption. *Government auditing* (both external and internal) is a cornerstone of good public sector governance by providing unbiased, objective assessments of whether public resources are responsibly and effectively managed to achieved intended results. Government auditing supports the governance roles of oversight, insight, and foresight.

- ▶ Oversight. Auditors provides oversight of County management by evaluating whether department/agencies are doing what they are supposed to do, spending funds for intended purposes, and complying with laws and regulations.
- ▶ **Insight.** Auditors provide insight to assist County management by assessing which programs, policies and internal controls are working and which are not; sharing best practices and benchmarking information; and looking across department/agencies to find opportunities to borrow, adapt, or re-engineer management practices.
- ▶ Foresight. Auditors help County management look forward by identifying trends and bringing attention to emerging challenges before they become crises. These issues often represent long-term risks that may far exceed the terms of office for most elected officials, and can sometimes receive low priority for attention where scarce resources drive more short-term focus on urgent concerns.

The OC Internal Audit Department is committed to serving the Board and County management in helping ensure effective public sector governance!

# OS CALIFORNIA

## FY 2010-11 Audit Plan

### IAD'S EXPERTISE IN FINANCIAL/BUSINESS PROCESSES AND CONTROLS

The Internal Audit Department (IAD) is recognized for our financial expertise and knowledge in business cycle internal controls and processes. We apply this expertise in assisting County executive management in enhancing their business processes and constantly improving and strengthening the internal control environment the public expects, relies upon, and demands of its government. We are committed to a process of continuous learning and improvement within our department. We keep ourselves updated on relevant issues in business and industry with regard to accounting trends and developing financial best practices. Such constant renewal keeps the IAD and its staff professionally current, refreshed, invigorated, and responsive to the County's needs for attestation, compliance assurance, accountability testing, and business improvement. We assist management in helping to implement best business practices with regard to internal controls, accounting systems, and business processes.

To meet our clients' expectations for <u>integrity</u>, <u>objectivity</u>, and <u>independence</u> and for us to function effectively with consistent reliability and credibility, the IAD applies professional auditing standards to all engagements. This allows us to ensure reviews and assessments of County operations are always informative, accurate, and objective. Where required, the IAD follows the ethical and professional standards promulgated by the American Institute of Certified Public Accountants (AICPA), the Institute of Internal Auditors (IIA), and the Government Accountability Office (GAO). Moreover, the quality of IAD operations is regularly and independently assured by rigorous Peer Reviews conducted by outside CPA firms or by the California Counties Audit Chief's Association. We have passed four such peer reviews to date; with the last one performed in 2007.

As further validation of our department's commitment to quality, we received the IIA's award for "Recognition of Commitment to Professional Excellence, Quality and Outreach" in 2005 as well as the 2007 Association of Local Government Auditor's Bronze Website Award. A noteworthy report recently issued by the 07-08 Grand Jury found the IAD to be completely independent and appropriately reporting to the Board of Supervisors and meeting all professional standards to perform any audit as directed.

### ANNUAL RISK ASSESSMENT FOR DEVELOPMENT OF AUDIT PLAN

Each year, IAD conducts a comprehensive, interactive countywide Risk Assessment that includes input from members of the Board of Supervisors, the County Executive Office, and all Department/Agency executive management regarding risks affecting their respective areas. We also review of Business Plans, prior audit coverage and annual financial information for core business processes in all departments/agencies. We rank and tabulate the results that are used in developing the Annual Audit Plan.

We note in our Risk Assessment that **the control environment of the County has changed significantly.** Budget reductions resulting in work furloughs and layoffs; a new County financial system (CAPS+); new rules and regulations; and turnover of several department/agency executive management positions are key issues that departments and agencies are facing.

A detailed description of our Risk Assessment is shown below in the **COUNTYWIDE RISK ASSESSMENT METHODOLOGY** section of this document.

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### FY 2010-11 Audit Plan

### **ANNUAL AUDIT PLAN & KEY AUDIT CATEGORIES**

We design the Audit Plan to address what we considered to be the highest priority areas and audits requested by departments/agencies, while limiting the scope of work to what can realistically be accomplished with the staff resources available.

Our Audit Plan is submitted, publicly discussed, reviewed and approved at the beginning of each fiscal year by the AOC. We are dedicated to completing our Audit Plan while continuing to be flexible and responsive to the Board of Supervisors' requests for audit services. The Audit Plan also includes some flexibility to be responsive to directives for audit services from the Board of Supervisors or AOC. For each audit in the Audit Plan, we have listed the proposed audit objectives, dollar impact and estimated audit hours.

Our Audit Plan has as its foundation the traditional internal audits of "hard-control areas" such as segregation of duties, limiting access to cash, accurate originating accounting entries and transactions, and key reconciliations. Examples of such traditional audits in our Audit Plan include the *Financial Audits and Mandates (FAM), Internal Control Audits (ICA), Information Technology Audits (IT), and Revenue Generating Leases (RGL) Audits.* These audit reports contain opinions regarding the status of internal controls or the County's compliance with grant or other governing provisions. Our audit reports also include recommendations to management regarding improvements to specific accounting processes and internal controls in order to enhance or strengthen them. As part of our internal improvement process, we distribute a customer survey with each of our audit reports to allow customer evaluation and feedback.

In our audits, we also look for opportunities to improve the "Efficiency and Effectiveness" of operations. Our reports where applicable, contain performance recommendations related to efficiency and effectiveness enhancements.

Our **Follow-Up Audit** process is a robust and mature process. Follow-Up Audits are necessary to ensure that our audit recommendations are implemented satisfactorily. Our *First Follow-Up* **Audit** begins about six months following the release of an audit report. If necessary, a **Second Follow-Up Audit** will be conducted about six months following the release of the First Follow-Up Audit report. At the request of the AOC, we are to bring to their attention any audit recommendations we find still not addressed, resolved or mitigated after the Second Follow-Up Audit.

Based on our Follow-Up Audits, we can state that **County management substantially implements our report recommendations on a timely basis.** We attribute this level of implementation to the reliability and usefulness of our audit findings and recommendations. We also compliment County management in partnering with us in this effort to be responsive.



### DEDICATION OF RESOURCES TO AUDIT-RELATED SERVICES

Our Audit Plan is based on **15,700 direct audit hours** to be provided by 10 audit professionals (77%) and 3 Senior Audit Managers (50%). The Audit Plan does not include hours for one vacant Executive Secretary position. Additionally, our primary Administrative Manager over budgeting, purchasing, and human resources retired in March 2008. Because of budget constraints, we no longer have any vacant Auditor or Administrative Manager positions in FY 10-11. As we are utilizing audit positions to perform some of the administrative duties, we have reduced the Audit Plan by 1,300 hours.

The audit hours for the Director and Deputy Director are not included in the above total while the time for the three Senior Audit Managers is adjusted to allow them time for administrative management.

Audit Plan hours are allocated to the audit areas as follows:

Internal Control Audits (ICA):	5,650
Financial Audits and Mandates (FAM):	2,650
Revenue Generating Lease Audits (RGL):	1,550
Information Technology Audits (IT):	4,000
Other Audit Activities*:	1,850
	15,700

\* The plan allocates an additional 1,850 hours for audit activities such as staffing the Fraud Hotline, tracking Cash Losses, administering data collection of External Audit Activity, preparing for an IAD Peer Review due in 2010, providing Technical Assistance to Departments on practical internal control concepts and application, performing the Annual Risk Assessment, HIPAA Administration, and compiling and presenting Activity Reports to the Board of Supervisors and Audit Oversight Committee.

Included in the ICA, FAM, IT, and RGL categories are a total of **1,000 Reserved Hours** to respond to Board requests for audit services. Our *FY10-11 Audit Plan* is detailed beginning on page 5.



# OC INTERNAL AUDIT DEPARTMENT DETAILED FY 10-11 AUDIT PLAN

Budgeted Hours

**Audit Category and Audit Name\*** 

### **INTERNAL CONTROL AUDITS (ICA)**

Validate, substantiate, and confirm the integrity and adequacy of critical internal controls by analyzing and testing cash receipts and expenditures to ensure accurate, complete, proper and timely processing of County financial transactions; ensure County assets are adequately safeguarded from loss, waste, and abuse; evaluate compliance with department and County policies; and evaluate process efficiency and effectiveness.

<u>Cash Receipts & Receivables</u>: Audits of over \$5.4 billion in cash handling, records and deposits processed in CAPS+ to ensure cash receipts are safeguarded, completely deposited and reconciled with County records; and to ensure accounts receivable and related billings are established timely; are monitored by aging of accounts; and collection efforts and bad debt write-offs are approved with management's authorization.

- 1 Treasurer-Tax Collector Tax Collections & Cash Receipts \$5.3 billion (carry-over from prior year) BOS-directed audit of tax collections and receipts, including tax refunds and penalty cancellations.
- 2 PA/PG Case Management & Fiduciary Funds \$26 million (carry-over from prior year) Audit of planned controls over new case mgmt. and accounting system (OCPACS) that is replacing Epages.
- 3 **Health Care Agency** Medical Billing Process **\$47 million** (carry-over from prior year) Audit of medical billing processes and systems.
- 4 Sheriff-Coroner \$78 million Cash Receipts; \$57 million Receivables Scope to be determined. 300
- OC Community Resources \$41 million Cash Receipts; \$67 million Receivables Scope to be determined.

<u>Fee-Generated Revenues</u>: Audits of over \$433 million in department/agency fee studies and fee development processes, methodologies, and assumptions used for establishing cost-recovery fees charged to the public for Licenses, Permits and Franchises (LPF) and Charges for Services (CS) that are submitted to the Board of Supervisors for approval.

- 7 Sheriff-Coroner \$178 million in CS revenue; \$303,000 in LPF revenue Evaluation of fees charged to other County depts. for Sheriff Harbor Patrol services.
- 8 OC Public Works \$89 million in CS revenue; \$8 million in LPF revenue Scope to be determined.
- 9 **OC Waste & Recycling \$89 million** in CS revenue; **\$90,000** in LPF revenue Scope to be determined.
- Health Care Agency \$68 million in CS revenue; \$267,000 in LPF revenue Scope to be determined.

OC Internal Audit Department FY 10-11 Audit Plan and Risk Assessment

Page 5

300

300

300

300 300

300

<sup>\*</sup>See Page 12 for Footnotes that apply to the planning and reporting process.



De	stalled 1 10-11 Addit 1 fall continued	Budgeted
	Audit Category and Audit Name	Hours
	INTERNAL CONTROL AUDITS (ICA) Continued	770473
	<u>Cash Disbursements &amp; Payables</u> : Audits of \$562 million in cash disbursements and accounts payable [including cash, checks and electronic fund transfers (EFTs)] processed in CAPS+ to ensure payments are properly reviewed and authorized, valid, supported, timely; comply with County policies; and disbursements are safeguarded and reconciled to County records.	
11	Health Care Agency - \$307 million in Disbursements Scope to be determined.	300
12	Social Services Agency - \$174 million in Disbursements Scope to be determined.	300
13	OC Waste & Recycling - \$81 million in Disbursements Scope to be determined.	300
	Purchasing and Contracts: Audits of \$359 million in procurement processes and systems (CAPS+) for compliance with requirements in the County Purchasing Manual and for contract administration to ensure vendor payments are properly reviewed, authorized, valid to contract terms, and timely. Includes sole source contract administration.	
14	<b>OC Public Works Fleet Services - \$11 million</b> for fleet of <b>2,400 vehicles</b> . Audit of fleet utilization; take-home policy; vehicle tracking; and other issues concerning fleet management.	300
15	<b>Voyager Fuel Cards - \$2 million</b> in transactions for <b>1,100 Voyager cards.</b> Audit of controls and processes over the issuance, activation, monitoring and deactivation of fuel cards.	300
16	Health Care Agency Contract Administration - \$336 million in procurements. Audit of HCA's contract monitoring and administration processes involving human services contractors.	300
17	OC Dana Point Harbor - Boat Slip Administration - \$14 million. Review of boat slip administration policy and wait list process for 2,500 slips in the East and West Basin.	250
18	Follow-Up Audits (First): -County Fee Development Monitoring Process	500
19	-Wire Transfers and EFTs	
20	-CEO/Risk Management Disbursements	
21	-HCA Medical Billing	
22	Follow-Up Audits (Second): -Probation Title IV-E Claims	150
23	TBD Work Paper Close Out & Final Papert Issuance (audits from prior year plan)	ΕO
24	Work Paper Close-Out & Final Report Issuance (audits from prior year plan)  Reserve - for BOS and AOC directives and audit adjustments (2)	50 300
		5,650
	Subtotal	-,3



### **Detailed FY 10-11 Audit Plan continued**

**Audit Category and Audit Name** 

Budgeted Hours

### FINANCIAL AUDITS & MANDATES (FAM)

Determine that financial statements are fairly stated in accordance with applicable professional standards; that financial statements are supported by sound internal controls; and that management complied with applicable laws, regulations and grant requirements. These audits are conducted in accordance with generally accepted auditing standards of the United States of America and/or Governmental Auditing Standards issued by the Comptroller of the United States.

<u>District Attorney Grants</u> - **\$6.4 million**: Audit the financial statements for 4 grants to the District Attorney (DA) Office totaling **\$6.4 million**. Our audits will determine that budgeted amounts, revenues and expenditures are recorded accurately, completely, and timely; review controls; and test compliance with rules and regulations.

1	DA Grant: Workers Compensation Insurance Fraud - 6/30/10	250
2	DA Grant: Health & Disability Insurance Fraud - 6/30/10	250
3	DA Grant: Auto Insurance Fraud - 6/30/10	250
4	DA Grant: Auto Fraud Activity Interdiction - 6/30/10	250
5	Treasurer-Tax Collector: Annual Investment Compliance Audit - \$65 Billion Investment purchases in 2009 Attestation examination of the Treasury's compliance with requirements presented in California Government Code Sections 27130 through 27137 and related provisions of the Orange County Treasurer Investment Policy Statement (IPS) for the Money Market and the Extended Funds for the calendar year ending 12/31/09.	400
6	<b>Auditing &amp; Accounting Standards Update:</b> Review of New Statements on Auditing Standards regarding risk assessment and internal control requirements.	100

### **Follow-Up Audits (First):**

700

- 7 CAFR Financial Statement Footnote Disclosures
- 8 Retiree Medical Annual Required Contribution (ARC) Payment
- 9 Continuing Bond Disclosure Process
- 10 Countywide Pension Practices
- 11 Community Facility Districts (CFDs)
- 12 Treasurer-Tax Collector Administrative Fees
- 13 TBD

Follow-Up Audits (Second):	100

- 14 TBD
- 15 TBD
- Work Paper Close-Out & Final Report Issuance (audits from prior year plan)

Reserve - for BOS and AOC directives and audit adjustments (2)

Subtotal 2,650

50

300



### **Detailed FY 10-11 Audit Plan continued**

**Audit Category and Audit Name** 

Budgeted Hours

### REVENUE GENERATING LEASE (RGL) AUDITS - \$93 million annually

Audit the supporting records of businesses with revenue generating leases to ensure the correct amount of rent is paid to the County based on a percentage of gross revenue, and that internal controls over their business processes are adequate to ensure the integrity of the records used to report gross revenues. Our reviews also identify ambiguities and omissions in the contracts that may disadvantage the County. These critical audits are performed at the request of JWA, OC Public Works, OCCR/OC Parks, and OC Dana Point Harbor on a rotational basis. The County receives about \$141 million in annual rent from these revenue leases. About \$93 million of the annual rent is based on a percentage of gross revenue. Over the last 5 years, we have performed 32 audits covering 59% of the \$93 million annual rent. Over the last 10 years, we have audited 97% of the \$93 million annual rent. For the below 3 leases, annual rent paid is approximately \$4.1 million.

1	John Wayne Airport/Valet Parking Services (Parking Concepts Inc.)	300
2	OC Dana Point Harbor/Anchor Marine	250
3	OC Dana Point Harbor/Dana Point Jet Ski	250
4	Follow-up Audits - Perform on selected recommendations as deemed warranted.	350
5	Administration of Revenue Generating Lease Audits	50
6	Work Paper Close-Out & Final Report Issuance (audits from prior year plan)	50
	Reserve - for BOS and AOC directives and audit adjustments (2)	300
	Subtotal	1,550

### **INFORMATION TECHNOLOGY AUDITS (IT)**

Audit of controls in a variety of information technology areas including general controls, application controls, and system developments.

Computer Assisted Audit Techniques (CAATs) is a cited as a best practice by the IIA and provides critical and continuous audit coverage for vendor payments disbursed. CAATs are automated queries (logical searches for matching characteristics) applied to large amounts of electronic data and the resulting output (matches) are further reviewed and validated. For 2009, we reviewed 158,250 vendor disbursements amounting to about \$1.7 billion. To date, we have identified \$893,962 duplicate vendor payments of which 95% has been recovered.



	Audit Category and Audit Name	Budgeted Hours
	INFORMATION TECHNOLOGY AUDITS (IT) Continued	
1	CAATs - Duplicate Vendor Payments & Other Routines - \$1.7 billion	600
2	CAATs - Rewrite Routines to Support Internal Audit's Annual Risk Assessment Re-write our annual risk assessment CAAT routines (16 scripts total) for the new CAPS+ data sources after the year-end (6/30/10) records are closed.	100
3	CAATs - Develop New Routine (tbd) & Provide Support to Internal Control Audits  Develop a new on-going routine (such as analysis of procurement card activity) and provide data analysis support to selected Internal Control Audits.	150
	IT Implementation Assistance: For significant mission critical systems, IAD audits the adequacy of planned internal controls in accordance with an MOU agreed to by management. The MOU specifies that management is responsible for designing adequate controls in the new system and for providing documentation (flowcharts, narratives, policies and procedures, etc.) to be reviewed by Internal Audit. Our audits focus on the control areas of: 1) proper segregation of duties, 2) reviews and approvals, 3) audit trails, and 4) reconciliations to help management ensure the system addresses the key/fundamental controls.	
4	- CAPS+ HR/Payroll Implementation - Review of Planned Controls - Over \$1.8 billion	500
5	- PTMS Implementation - Review of Planned Controls - \$3.8 billion (property taxes)	500
6	- Public Administrator/Public Guardian - \$26 million IT Assistance on ICA - new ePages system. See ICA description on page 1.	150
7	Auditor-Controller - CAPS+ Finance User Access Security Administration (carry-over)  Evaluate the adequacy of selected controls over the CAPS+ Financial system user security administration (user setup, password management, account management, security violation monitoring, etc.). CAPS+ is the County's official system of financial record and user capabilities within the application are controlled based on user ids. It is therefore imperative to adequately control access to these ids.	150
8	Auditor-Controller and CEO/IT - Review of Change Management for CAPS+ Finance	400
	Evaluate the adequacy of internal controls over the change/configuration management for the CAPS+ financial system to ensure software and hardware changes are adequately approved, tested, and documented. The audit scope may also cover table updates and audit logging.	
	<u>IT Assistance to Internal Control Audits</u> : Audit selected application or general IT controls in conjunction with an Internal Control Audit ( <u>see ICAs above</u> ). This approach to auditing both the IT and manual controls is known as an integrated audit approach.	
9	- Health Care Agency - Integrated Audit of Medical Billing (processes and systems)	200
10	- TBD	150



		Budgeted
	Audit Category and Audit Name	Hours
	INFORMATION TECHNOLOGY AUDITS (IT) Continued	
	Follow-Up Audits (First):	300
11	- Treasurer-Tax Collector - Payment Card Industry (PCI) Compliance	
12	- CEO/Information Technology - Oracle Database Configuration - CAPS+ Finance	
13	- Auditor-Controller/Treasurer-Tax Collector Electronic Fund Transfers (IT portion)	_
14	IT Research & Development Reserve	50
15	Work Paper Close-Out & Final Report Issuance (audits from prior year plan)	50
	Reserve - for BOS and AOC directives and audit adjustments (2)	300
	Subtotal	4,000
	OTHER AUDIT ACTIVITIES	
1	Annual Risk Assessment - Audit Plan	500
	We conduct a comprehensive and interactive Risk Assessment, including meeting with the	
	Board of Supervisors and County Executive Office; sending Risk Assessment Questionnaires to 22 County departments/agencies; reviewing all department/agency Business Plans; compiling	
	detailed financial information; compiling a risk rating of the County's key information systems,	
	and reviewing current/prior audit coverage by County internal and external auditors. This	
	critical process determines the basis for allocating our audit resources for the year among	
	hundreds of competing issues and risks.	50
2	Cash Losses	50
	We monitor all cash losses reported to the Auditor-Controller for consideration during our	
2	annual Risk Assessment and when conducting our Internal Control Reviews.	300
3	Fraud Hotline	300
	The OC Fraud Hotline is staffed by professionals 24 hours, 7 days a week to ensure proper	
	handling of all reports of possible waste, fraud and abuse of County resources by either	
	employees or vendors. The monitoring is provided by in-house staff during normal working hours and an outside vendor during after hours, weekends and holidays. In addition, we	
	provide oversight and advisement for investigations and directly participate as warranted. We	
	also prepare semi-annual Hotline status reports for the AOC and BOS.	
4	External Audit Reporting	300
	In accordance with AOC Policy No. 2, Internal Audit compiles and reviews a quarterly status	
	report of "third party" external audits conducted in County departments/agencies. The County	
	typically undergoes over 100 external audits each year. We also monitor the status of material	
	audit findings and question costs. We consider these audits when developing our annual audit	
	plan and our scope of work for any related audits.	



	Audit Category and Audit Name	Budgeted Hours
	OTHER AUDIT ACTIVITIES Continued	
5	Technical Assistance to Other Departments/Agencies	150
	To advise on business, accounting, and compliance issues as directed or requested.	
6	HIPAA Administration	100
	Internal Audit is designated as a covered component under HIPAA and must abide by HIPAA rules and regulations. These are hours set aside for the department's HIPAA Coordinator.	
7	Reports for Board, AOC, EA Meetings  We report quarterly to the Audit Oversight Committee (AOC). The AOC provides executive oversight and guidance to the Internal Audit Department. We compile and report our progress to the AOC quarterly regarding the Audit Plan and provide Executive Summaries on audit activity each quarter. We compile and present to the Board of Supervisors a monthly report of all our audit reports issued each month. We also present the IA Business Plan, approved Audit Plan and Risk Assessment Report, and the Annual Internal Auditor's Report to the BOS each year.	250
8	Self-Assessment for Upcoming Peer Review – For the 3 Years Ending 6/30/10	200
	Subtotal	1,850
	Grand Total (6)	15,700

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# FY 10-11 Audit Plan

### **Detailed FY 10-11 Audit Plan continued**

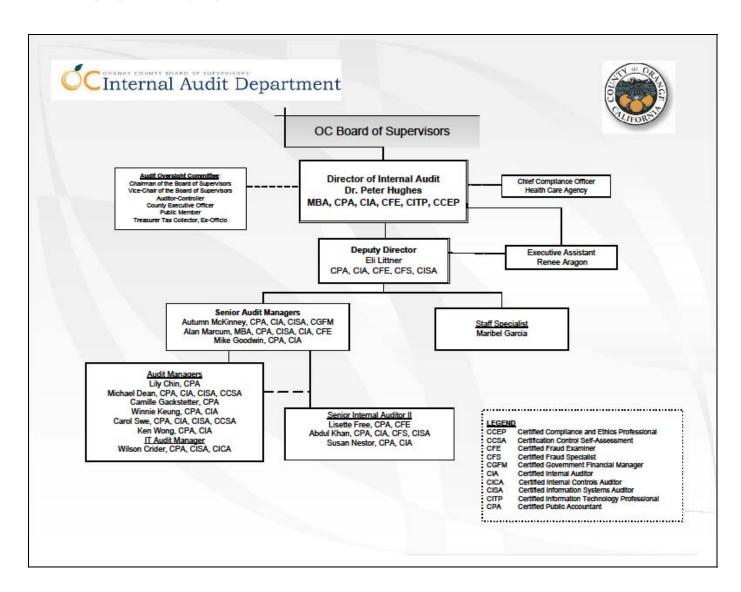
### **FOOTNOTES:**

- (1) The dollar amounts indicated in the Audit Plan represent the scale and magnitude of the activity audited in order to give the reader a sense of the financial impact and significance of the area or activity audited. In those audits where we test a sample of transactions and not the entire population, we clarify this point in the final Audit Report.
- (2) We reserve time in our Audit Plan for Board of Supervisor and Audit Oversight Committee directives and audit adjustments. We also identify several other areas or activities for possible audit should we have available time or as substitutes.
- (3) We generate several different types of reports including audit reports, summary reports and status reports. In addition, IAD undertakes several different projects including audits of financial statements, audits of internal controls, audits of transactions through the use of computer programs, audits of lessee compliance with County contracts, and audits of IT controls. IAD receives and oversees Hotline calls up through resolution via investigation by the respective departments and agencies. IAD also assists the CEO as authorized by the AOC by facilitating meetings, preparing summary reports and providing staff resources for technical assistance. A total project count therefore includes all assignments completed; not just released audit reports. Each year, OCIAD prepares an Annual Internal Audit Report in addition to its Quarterly Status Report. The Annual Internal Audit Report is for the general public in content and tone.
- (4) The annual Audit Plan is subject to change for such events where the Director of Internal Audit, Audit Oversight Committee (AOC), or Board majority assesses if it is warranted to substitute, postpone or cancel a scheduled audit due to timing, priority, resource, risk considerations and our level of support to the CAPS+ and PTMS Implementations. Such modifications will be noted in the "Milestones & Comments" section of the Quarterly Status Reports submitted to the AOC. The acceptance of the Quarterly Status Report by the AOC authorizes any changes noted.
- (5) For purposes regarding fiscal year-end reporting, we consider audits completed (Done) as of the official release of a completed draft audit report to the Department/Agency Director, and are shown as such in our "Milestones & Comments" section of the AOC Quarterly Status Report.
- (6) We use an industry best practice in estimating the available hours at 77% to conduct audits by deducting all paid personal leave training and administration so as to better estimate the direct hours available to conduct field work and write audit reports. We also deduct a vacancy factor based on historical trends and actual occurrences. We reflect any material changes in our estimates as warranted in our quarterly reports.
- (7) Upon completion of the preliminary survey and finalization of the audit scope, we will make a determination as to the audit impact and importance to the County (high, critical, or material).



# **OC Internal Audit Organization Chart**

### **DEPARTMENT ORGANIZATION CHART**





# Risk Assessment Methodology

### COUNTYWIDE RISK ASSESSMENT METHODOLOGY

### A Risk-Based Approach to Determine Audit Priorities

Generally Accepted Government Auditing Standards and the Institute of *Internal Auditors (IIA) International Standards for the Professional Practice of Internal Auditing* require the Chief Audit Executive to establish a risk-based approach to determine the priorities for internal audit activities. The Internal Audit Department has completed a Risk Assessment as a means to help identify, measure, and prioritize potential audits based on the level of risk to the County and for preparing the FY 2010-11 Audit Plan.

### Risk Assessment Analysis for FY 2010-11

Our Risk Assessment for FY 2010-11 found that *the control environment of the County has changed significantly.* The County continues to be impacted by challenging economic times and the recession. Work furloughs; layoffs; a new financial accounting system (CAPS+) and several other planned key system upgrades/implementations; new rules & regulations; and turnover in key executive positions in several County departments/agencies (including SSA, HCA, Sheriff-Coroner, OC Public Works, and Probation). All of these can lower morale, decrease the level and timeliness of supervision, lower proficiency on new business systems, decrease continuity of operations and retention of "corporate" memory, and increase the overall learning curve of County staff and management.

Given these factors, we are adjusting our risk ratings and we will return to look at the fundamental business processes, starting with cash receipts and disbursements. Some areas we identified in prior years as **medium risk ratings** are **now considered to be higher risk.**. This may be the case for the next 3-5 years until all new systems are in place and more audits have been conducted in these areas.

This year, we have included an additional schedule, A-3 - *Risk Scores by Business Cycle*, that shows the risk rating computations and ranking for all auditable business processes discussed below. This schedule shows the numerical ratings that support the High, Medium, Low ratings in our *Risk Assessment Schedule* shown at A-1.

### **Risk Assessment Methodology**

A comprehensive, interactive countywide Risk Assessment was conducted that included input from members of the **Board of Supervisors**, the **County Executive Office**, and **all Department/Agency Directors** to obtain their input on risks affecting their respective areas. For County departments/agencies, we sent out Risk Assessment Questionnaires for input on risks and areas of audit interest in their business operations. We reviewed the completed questionnaires and incorporated them in determining a risk rating. We additionally **reviewed all department/agency Business Plans**; **compiled financial information** for business processes in each department/agency (e.g., cash receipts, disbursements, payroll, budget); and considered **prior audit coverage** by Internal Audit and County external auditors.



## Risk Assessment Methodology

### **Audit Universe**

There are several approaches on defining an audit universe (all areas subject to risk assessment and audits). We defined the County audit universe as **22 departments/agencies** (excluding Internal Audit and the Office of the Performance Auditor) and the following **standard seven (7) business processes/cycles** that are common to all departments and agencies, with our primary emphasis on **financial and accounting controls**.

### Cash Receipts & Receivables -

Includes the receipting, recording, transferring, depositing, safeguarding, and reconciling of monies and fees received in depts./agencies. Cash receipts have a high inherent risk of misuse.

### **Fee-Generated Revenue:**

Includes audits of department/agency fee studies and fee development processes, methodologies, and assumptions used for establishing cost-recovery fees charged to the public for "Licenses, Permits and Franchises," and "Charges for Services," and are submitted to the Board of Supervisors for approval.

### **Revolving Funds -**

Includes validating compliance with County Accounting Procedures, ensuring revolving fund disbursements are proper, approved, monitored, and safeguarded.

### Cash Disbursements & Payables -

Includes verifying receipt of goods/services, adequacy of supervisory reviews and approvals, timeliness of invoice processing, completeness and accuracy of payments, proper reconciliations and safeguarding of assets.

### Purchasing and Contracts -

Includes use of County-issued purchasing cards; vendor payment review/approval process; ensuring terms of contracts were met prior to issuing payments; reviewing justification of Sole Source contracts; and monitoring CEO/Purchasing's oversight responsibilities.

### Payroll -

Includes timekeeping practices in depts./agencies that use either the VTI time reporting system or in-house developed payroll system (i.e Sheriff); premium and overtime pay practices; payroll unit supervision and payroll reports, Central Payroll's role in processing payroll; and monitoring for unauthorized payroll changes.

**Fiduciary Funds** – includes validating the purpose/objectives of fiduciary/special use funds; ensuring sources and uses of the funds are in accordance with stated use; reconciliations are prepared timely/completely to safeguard funds.

Our *Risk Assessment Schedule* shown on page A-1 of the attachment shows the **154 auditable business processes** we identified and assigned a risk rating. To determine the risk ratings for these processes, we compiled information obtained in our risk assessment and applied the following criteria and relative weight factors in our assessing levels of risk:

- <u>Department/Agency Changes (15%)</u>: Assessed factors such as management and/or organizational changes, significant increases/decreases in staffing and workloads, new/eliminated programs, and significant changes in laws/regulations.
- Operating Environment (15%): Assessed factors related to the department's operating environment such as public image, laws/regulations, safety and environmental issues, sensitivity to economic factors, pending litigation, and business continuity.
- <u>Last Audit Performed (20%)</u>: Identified all Internal Control Audits and Financial/Mandated Audits conducted in the last 10 years, and assessed risk higher in areas with old or no prior audits. This category also takes into consideration factors such as management receptivity to implementing recommendations and the materiality/significance of prior audit findings.
- <u>Financial Activity/Volume (50%)</u>: From CAPS, we compiled FY 2008-09 financial information (dollar volume, number and nature of transactions) for each business process for all departments and agencies and we assessed the level of risk based on the dollar volume of transactions.

### **Compiling Results of Risk Assessment**

Using the above criteria, each department/agency business process was rated on a scale of 1 to 10 (10 being highest risk and 1 lowest risk) for each of the above weight factors. An overall risk level was then assigned as either  $\frac{\text{High}}{\text{High}}$  (8.5 - 10),  $\frac{\text{Medium}}{\text{Medium}}$  (5.5 - 8.4), and  $\frac{\text{Low}}{\text{Low}}$  (1 - 5.4) risk. The overall risk levels are shown on page A-1 of the attached Risk Assessment, and a Schedule of Prior Audit Coverage since 2000 is shown on page A-2 of the attachment.

### **Information Technology Inventory and Assessment**

We prepared a key system inventory based on information received from each department as part of our annual survey. The departments provide information only for those systems they identified as critical or key to carrying out the mission of their respective department. Examples of applications/systems not included in the inventory are: utilities (such as anti-virus, email, backup programs, and Microsoft operating system and office applications), terminal emulators (allows access to a mainframe computer via a personal computer), and systems of a limited/administrative nature (such as form generation, record retention, or telephone directories).

We rated each key system based upon the six relative weight factors below:

- <u>Importance & Impact (30%)</u>: The importance and impact of the system to the County and department's mission. Systems having a countywide impact were rated high in this category.
- <u>Complexity (20%)</u>: The complexity of the system taking into consideration the number of interfaces, the number of users and transactions, the nature of the database, and the nature of the calculations made by the system.
- <u>Nature of Information (15%)</u>: The nature of the information controlled by the system such as financial, operational, or support. Systems controlling financial assets or data were rated high in this category.
- <u>Sensitivity of Information (15%)</u>: The confidentiality of the information controlled by the system. Systems controlling HIPAA regulated information or personal information were rated high in this category.
- Maturity (10%): The length of time since the system was implemented or since significant upgrades occurred.
- Last Audit Performed (10%): The number of years since the last audit.

Each system was rated on a scale of 1 to 5 (5 being highest risk and 1 being lowest risk) for each of the weighted factors. Then, an overall score was calculated and the system was ranked as <a href="High">High</a> (400 or above), <a href="Moderate">Moderate</a> (251 - 399), or <a href="Low">Low</a> (250 or below). The overall risk scores and ratings are shown on page A-3 thru A-5 of the attached risk assessment schedules.

### **Risk Assessment Analysis and Trends**

Of the **154 auditable business processes** we identify in our *Risk Assessment Schedule*, **67% are Medium Risk**, **25% are Low Risk** and **8% are High Risk**.

The departments/agencies with a high risk score merely indicates that the services or functions they are responsible for are by nature a high risk activity because of such factors as having a large amount of expenditures and revenues, having a high level of liquid assets such as cash, management's assessment of the control environment, or a high degree of public interest. A high risk score indicates that if something were to go wrong, it could have a greater impact. A high risk score does <u>not</u> mean that a business process is being managed ineffectively or that internal controls are not adequate. As such:

- We are committed to auditing business activities or processes identified as "high risk" within the current year. Our approach is to provide coverage of the most critical or sensitive aspect of the activity identified. We do make exceptions to this in regards to any audits that are "carry-overs" from the prior year, where there has been recent audit coverage, or if our professional judgment determines otherwise.
- 2. Resources permitting, we will also audit "medium risk" areas again focusing on the critical components of the activity.
- 3. Areas or activities identified as having "high impact" or "serious consequences" will be audited even if the likelihood of the event occurring is very low. This is in accordance with professional best practices.
- 4. Our commitment is to perform focused audits that address the most critical areas of operations to provide a quick turnaround time to the auditee. We are striving to minimize the disruption to auditee operations through this approach.
- 5. Except in instances like the District Attorney grants, we do not audit areas unless the risk assessment identifies them as a priority. The passage of time is not a key factor in allocating audit resources. Our risk-based assessment is driven by numerous risk factors and is the reason we do not have a firm cycle of audits.

We have studied the history of eleven years of audit reports and audit findings. We have reviewed annual business plans and have concluded that the departments and agencies have dedicated and control conscious managers overseeing their main business processes. In the audit reports issued, we noted that less than 10% of the findings are "Significant Issues" and less than 1% of the findings are "Material." The Internal Audit Department has a historical basis for assessing the competence of management and the rigor of their oversight of internal controls and expenditures. We have concluded that the control environment is positive and effective and helps offset the inherent internal control risks. The established control process offsets the inherent internal control risks associated with many of the County's business processes. In our opinion, we can assert that County Management has demonstrated an increasing awareness of internal controls and our audit results have verified this achievement.

SEE ATTACHMENT - RISK ASSESSMENT SCHEDULES A-1 THROUGH A-4



### RISK ASSESSMENT SCHEDULE for Fiscal Year 2010-11

This Risk Assessment schedule provides a summary of risk ratings (High, Medium, Low) based on the results of our FY 10/11

C Internal Audit Department

Low) based on the results of our FY 10/11 risk assesment, primarily for our audits of Internal Controls, Information Technology and Financial/Mandates. The schedule also shows Internal Audit's planned audits for FY 2010-11. We use this risk-based approach for purposes of audit planning and allocating staffing resources. See Schedule A-2 for Schdeule of Prior Audit Coverage and Schedule A-3 for detailed Risk Scores by Business Cycle.		2. Author. Confer.	) Julier (Julier )	o Support	5. Clerk Sonices	The corder	Z Coumsel	Serie Cuine Oc.	3 Health Cale Ac.	Lower Lawer	17. John	OC Supposition	13. Oc Dans	14 OC PUBIC	15 OC W.	76. Prot	17. Parion Cing	out.	Peor Defender Which	20. Shering	Society	22. Treasurer Tay Conc	0100100
BUSINESS PROCESSES:	\'.\'.\'	/v'	\sigma_{O.}	\. \. \. \. \. \. \. \. \. \. \. \. \. \	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	\@.	\\\\.	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	8, H,	/0,	7,	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	\2.	/A.	\$5.	/9′	1.3	\\ \si_{\oldots}.	\છે.	\\disp	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	<b>∕</b> ॐ	
CASH RECEIPTS & RECEIVABLES	М	М	М	L	М	L	М	М	М	М	М	М	L	M	М	М	L	М	L	Н	М	М	High-risk audit areas (indicates a high audit risk and a high priority to
CASH DISBURSEMENTS & PAYABLES	L	М	М	L	М	L	М	L	М	М	М	М	L	М	М	L	L	М	М	М	М	М	
FEE GENERATED REVENUE	М	М	L	L	М	М	М	М	Н	L	M	М	L	Н	Н	М	M	L	M	Н	М	M	Medium-risk audit areas (indicates moderate audit risk and audit priority )
PURCHASING & CONTRACTS	L	м	м	L	М	L	М	М	М	М	М	М	7	М	М	М	L	М	М	М	н	н	
REVOLVING FUNDS	М	М	м	М	М	М	М	М	М	ا ۔	М	М	L	М	М	М	L	М	М	н	м	М	Low-risk audit areas (indicatesa low audit risk and subject only to audits as requested or deemed necessary)
PAYROLL	М	М	М	L	М	М	М	М	М	L	М	М	L	М	М	М	М	М	L	M	н	М	
FIDUCIARY FUNDS	L	Н	М	L	М	L	М	L	Н	L	L	М	L	M	L	М	М	L	L	М	Н	L	2010-11 Planned Audits
REVENUE GENERATING LEASE AUDITS (Remittance of revenues and contract compliance)											М		М										
AUDITS ON 2010-11 PLAN		CAPS+ HR/Payroll Implementation, CAPS+ Finance User Access Security, CAPS+ Change Management,		PTMS Implementation			CEO/IT - Change Management for CAPS+ Finance	Financial Grant Audits	Medical Billing Process (carryover), Fee Generated Revenue, Cash Disbursements & Payables, Purchasing & Contracts		Valet Parking Services (Parking Concepts Inc.)	Cash Receipts & Receivables	Anchor Marine, Dana Pt. Jet Ski, Purchasing & Contracts (Boat Slip Administration)	Fee Generated Revenue, Purchasing & Contracts (Fleet Svcs.), Voyager Fuel Cards	Fee Generated Revenue, Cash Disbursements & Payables		Case Management & Fiduciary Funds ePages Replacement System (carryover)			Cash Receipts & Receivables, Fee Generated Revenues	Cash Disbursements & Payables	Tax Collections & Cash Receipts (carryover), Annual Investment Compliance Audit, PTMS Implementation	Note: Risk ratings were based on meetings with BOS, reviews of Business Plans and department/agency survey information using the following factors:  - Department/Agency Changes - Operating Environment - Prior Internal Audits - Financial Volume and Activity - Department Audit Requests

Total Depts./Agencies (excl IAD, Perf. Audit) Total Auditable Business Processes:							
Medium Risk Processes:		67%					
High Risk Processes:	12	8%					



	Assessor	Comone,	Sories Suppor	Clert Board of the	Clerk Recorder	County Counsel	County Evecutive	District Attorney	Heallh Agency Care	Human Resources	John Wayne	Pes community	Oc Dana Rome	OC PUDIC MOTIC	OC Wasie &	Position Operation	Applic Administration Dic Guardion Po.	Public Dolomber	Resistand	Sheviff Corone,	Social Sortices	2
CASH RECEIPTS & RECEIVABLES		2001 DCR; 2004 ICR AC Collections; 2006 NSF Checks ICR; 09/10 #2919 Comm. Fac. District	2003 DCR		2003; 2007-08 So Cty #2723	2000	2001; 07-08 Public Finance #2722, 08/09 #2814 Bond Disclosure, 09/10 #2919 Comm. Fac. District	2002; 2003 DCR, 2000- 2010 Annual Grants**	2000 Billings & Rec.; 2001 Env Health; 2001 Animal Control; 2004 Various Sites	2002 Emp. Ben.	2001 DCR			2001 PDS; 2004 RDMD Utilities Billings, 2006 RDMD OC Zoo; 08-09 Transportatio n Billings #2823, 09/10 #2919 Comm. Fac. District	2000 DCR	2001; 2003; 2005 Biennial Juv Trust Fund**. 2006 RSAT Grant; 08. 09 Title IV-E Claims #2822	- 2006 ICR, 09/10 #2923 Case Mgmt		2000	2000 Court Ops; 2001; 2002 Financial Admir		2003 2006 08-09 Triennial Audit of TRO** #2812, 2006 NSFICR; 1998- March 2007 Ortly (sched)** & 1998- 2006 Annual TFA**, 2007-08 ICR Int. Apportionment
CASH DISBURSEMENT S&PAYABLES		2004 Trust & Agency Disb.; 2004 Tax Unit; 07- 08 Duplicate Payment; 07-08 Claims/Disb #2720; 08-09 Wire & EFT Transfers #2821			2003		07-08 Public Finance #2722; 07-08 Pension Cost Alloc #2765; 08-09 Retiree Medical Required Contributions #2813. 09/10 #2921 Risk Mgmt	2003 DCR; 2000-2010 Annual Grants**	2005 ICR	2002 Emp. Ben.	07-08 ICR	2002; 2003 OoA & SP; 2004 DCR OCDA; 07-08 Housing Choice #2724	08-09 Contracts & Payments #2820	2002 DCR; 2004 Utility Billings; 2006 OC Zoo; 07-08 Fac. Ops. ICR; 08-09 Transportatio n Billings #2823; APPS #2824		2001; 2003; 2005 Biennial Trust Fund**; 2006 RSAT Grant; 08-09 Title IV-E Claims #2822	2006 ICR, 09/10 #2923 Case Mgmt			2003 DCR; 07- 08 ICR Contract Admin; 07-08 Sheriff Admin. #2766	2005 ICR	1999-March 2007 Qrity TFA**, 1999- 2006 Annual TFA** 07-08 ICR Int. Apportionment; 08- 09 Wire & ETT Transfers #2821
FEE GENERATED REVENUE		2003, 09/10 #2921 Fee Dev.		09/10 #2921 Fee Dev.			2003, 09/10 #2921 Fee Dev.															
PURCHASING & CONTRACTS	2003 P-Cards						2006 P-Cards; 08-09 IT Contract Admin. #2827		2005 ICR Contract Admin.		2003 P-Cards 2006 ICR Contract Admin.	; 2003 OoA and SP Contract Admin.; 2003 P-Cards	08-09 Contracts & Payments #2820	07-08 Fac. Ops. Contract Admin. ICR	2003 P-Cards; 2006 ICR Contract Admin.		2006 ICR	2003 P-Cards		07-08 #2664; 07- 08 Sheriff Admin. P-cards and Sole Source Contracts #2766; 07-08 DMJM #2768	2005 ICR Contract Admin.	
REVOLVING FUNDS	2006 #2596	07-08 Various Dept./Agency Revolving Fund reviews include replenishments by AC	2003 DCR	2000		2000	2001	2006 #2597	2002		2001 DCR	2003 OoA, Spec. Progs, VSO		2000 PDS DCR; 2004 RDMD DCR		2006 #2598	2006 ICR	2006 ICR	2000	2003 DCR; 07- 08 Sheriff Admin #2766	2000 BCR; 07- 08 ICR	
PAYROLL		2003 IT Review; 2007 AC Central Payroll; 07-08 #2763 VTI and Emp SS#s							07-08 Payroll ICR					09/10 #2925 Payroll		07-08 #2725				08-09 Payroll #2825		1999-ZUI4 ANNUAL
FIDUCIARY FUNDS		2004 Trust & Agency Disb.	2003 DCR		2003		07-08 Public Finance #2722, 09/10 #2921 Risk Management	2003 DCR	2004 DCR		2001 DCR			2001 PDS; 2004 RDMD Trust Funds		2001; 2003; 2005 Biennial Trust Fund**	2006 ICR , 09/10 #2923 Case Mgmt & Fid. Funds		2000	2001 Court Ops DCR; 2003 DCR	2002	1999-2004 Annual Compl**, 2003- 2004 Qtrly Compl**, 1999- March 2007 Qtrly TFA (sched) & 1999-2006 Annual TFA, 09/10
BUDGETING									2004 DCR	09/10 Pension Practices #2913				2003 PDS DCR; 2005 PDS Bldg. & Safety Fund			2006 ICR	2004 DCR		2004 DCR	2004 DCR	09/10 #2915 Admin/Budget
PERFORMANCE MEASURE VALIDATIONS (PMV)		2006 #2554	2006 #2595	07-08 #2747		07-08 #2749	07-08 #2750		2006 #2658	07-08 #2753	2006 #2555	2006 #2592 & #2661		2006 #25101	07-08 #2754			07-08 #2757	2006 #2593		2006 #25100	07-08 #2759

This schedule shows where Internal Audit Department has performed audits of Internal Controls, Financial/Mandates, Compliance, Performance Measure Validation, Grants, and Special Request Audits since Calendar Year 2000.

Legend:

= Indicates areas of audit coverage 2000 - June 2010 (10-year prior audit coverage)
= Indicates areas of audit coverage 2005 - June 2010 (5-year prior audit coverage)
= Indicates areas of audit coverage for current and in process audits. (09-10)

BCR = Biennial Control Review; DCR = Department Control Review; ICR = Internal Control Review
\*\* Indicates Financial/Mandated Audit

### C Internal Audit Department

## Risk Scores by Business Cycle for Fiscal Year 2010-11

#	CASH RECEIPTS & RECEIVABLES	Risk Scores
	Department	
1	Sheriff-Coroner	8.55
2	OC Community Resources	8.35
3	Treasurer-Tax Collector	8.30
4	Health Care Agency	8.25
5	John Wayne Airport	8.00
	Auditor-Controller	7.95
	OC Waste & Recycling	7.80
8	County Executive Office	7.30
9	Social Services Agency	7.15
#	OC Public Works	6.80
#	Probation	6.45
#	Child Support Services	6.35
#	Human Resources	6.10
#	Clerk-Recorder	5.95
#	District Attorney	5.95
#	Public Defender	5.60
#	Assessor	5.50
#	Registrar of Voters	5.45
#	OC Dana Point Harbor	5.30
#	County Counsel	4.60
#	PA/PG	4.60
#	Clerk of the Board	4.00

#	CASH DISBURSEMENTS & PAYABLES	Risk Scores
	Department	
1	Treasurer-Tax Collector	8.20
2	Auditor-Controller	7.70
3	OC Waste & Recycling	7.55
4	Health Care Agency	7.50
5	Social Services Agency	7.50
6	County Executive Office	7.05
7	Human Resources	6.90
8	OC Public Works	6.75
9	Sheriff-Coroner	6.60
#	John Wayne Airport	6.30
#	OC Community Resources	5.95
#	Registrar of Voters	5.95
#	Child Support Services	5.90
#	Clerk-Recorder	5.80
#	Public Defender	5.60
#	Probation	5.40
#	Assessor	5.25
#	County Counsel	5.10
#	PA/PG	5.10
#	District Attorney	4.60
#	OC Dana Point Harbor	4.20
#	Clerk of the Board	4.00

#	FEE GENERATED REVENUE	Risk Scores
	Department	
1	Sheriff-Coroner	10.00
2	OC Public Works	9.35
3	OC Waste & Recycling	9.05
4	Health Care Agency	9.00
5	OC Community Resources	8.35
6	Treasurer-Tax Collector	8.00
7	John Wayne Airport	7.70
8	County Executive Office	7.55
9	Probation	7.50
#	Clerk-Recorder	7.40
#	Registrar of Voters	6.95
#	District Attorney	6.90
#	Assessor	6.75
#	Auditor-Controller	6.70
#	Social Services Agency	6.50
#	PA/PG	6.40
#	County Counsel	6.10
#	Human Resources	5.30
#	OC Dana Point Harbor	5.30
#	Public Defender	5.10
#	Child Support Services	4.90
#	Clerk of the Board	2.70

### LEGEND:

Scores between 8.5-10 indicate HIGH RISK audit areas.
Scores between 5.5-8.4 indicate MEDIUM RISK audit areas.
Scores between 1-5.4 indicate LOW RISK audit areas.
Denotes that an audit is included in the FY 2010/11 Audit Plan.

### **Comments:**

- 1. All audits that are "carry-overs" from prior years are considered higher risk and priority to complete in the current year.
- 2. Audits are generally selected starting first with the High Risk audit areas. Exceptions are made in some instances (e.g. prior audit coverage)
- 3. Some Medium and/or Low Risk audit areas may be selected based upon specific Board of Supervisor or department/agency request.
- 4. Cash receipt and disbursement audits will focus on transactions (reviews/approvals/reconciliations) using CAPS+ in selected A-C Satellite Accounting units.

# Risk Scores by Business Cycle for Fiscal Year 2010-11

	PURCHASING &	
#	CONTRACTS	Risk Scores
	Department	
1	Social Services Agency	8.50
2	Treasurer-Tax Collector	8.50
3	County Executive Office	8.25
4	Health Care Agency	8.00
5	Auditor-Controller	8.00
6	Human Resources	7.80
7	OC Community Resources	7.75
8	Probation	7.50
9	OC Public Works	7.45
	Sheriff-Coroner	7.10
11	District Attorney	6.90
12	John Wayne Airport	6.50
13	Child Support Services	6.40
14	OC Waste & Recycling	6.35
15	Registrar of Voters	5.95
16	Clerk-Recorder	5.90
17	Public Defender	5.50
18	Assessor	5.15
19	County Counsel	5.10
20	OC Dana Point Harbor	4.70
21	Clerk of the Board	4.00
22	PA/PG	3.70

#	REVOLVING FUNDS	Risk Scores
	Department	
1	Sheriff-Coroner	8.60
2	Health Care Agency	8.10
3	Social Services Agency	8.10
4	OC Public Works	8.05
5	Child Support Services	7.80
6	OC Community Resources	7.25
7	District Attorney	7.20
8	County Executive Office	7.15
9	County Counsel	7.10
#	OC Waste & Recycling	7.05
#	Treasurer-Tax Collector	7.00
#	John Wayne Airport	7.00
#	Clerk-Recorder	6.90
#	Probation	6.80
#	Assessor	6.55
#	Clerk of the Board	6.00
#	Registrar of Voters	5.95
#	Public Defender	5.90
#	Auditor-Controller	5.60
#	Human Resources	4.80
#	PA/PG	4.70
#	OC Dana Point Harbor	4.30

### LEGEND:

Scores between 8.5-10 indicate HIGH RISK audit areas.
Scores between 5.5-8.4 indicate MEDIUM RISK audit areas.
Scores between 1-5.4 indicate LOW RISK audit areas.
Denotes that an audit is included in the FY 2010/11 Audit Plan.

### **Comments:**

- 1. All audits that are "carry-overs" from prior years are considered higher risk and priority to complete in the current year.
- 2. Audits are generally selected starting first with the High Risk audit areas. Exceptions are made in some instances (e.g. prior audit coverage)
- 3. Some Medium and/or Low Risk audit areas may be selected based upon specific Board of Supervisor or department/agency request.
- 4. Due to limited resources, we are not auditing the High Risk areas in Purchasing & Contracts, Revolving Funds, Payroll and Fiduciary funds. These areas have had prior audits (e.g contract administration, purchasing cards, etc.), pose less risk than other processes, and will be considered in future Audit Plans.



### Risk Scores by Business Cycle for Fiscal Year 2010-11

#	PAYROLL	Risk Scores
L	Department	
1	Social Services Agency	9.50
2	Sheriff-Coroner	8.40
3	District Attorney	8.40
4	OC Community Resources	8.35
5	Health Care Agency	8.10
6	Child Support Services	7.90
7	Probation	7.60
8	Public Defender	7.60
9	County Executive Office	7.35
10	Assessor	7.25
11	OC Public Works	7.05
	OC Waste & Recycling	7.05
	Treasurer-Tax Collector	7.00
	John Wayne Airport	6.70
	Auditor-Controller	6.60
-	County Counsel Clerk-Recorder	6.10
	PA/PG	5.90 5.90
-	Registrar of Voters	5.45
_	Human Resources	4.80
_	OC Dana Point Harbor	4.30
_	Clerk of the Board	4.00

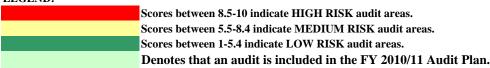
#	FIDUCIARY FUNDS	Risk Scores
	Department	
1	Social Services Agency	9.60
2	Health Care Agency	8.70
3	Auditor-Controller	8.70
4	Sheriff-Coroner	8.40
5	Probation	7.50
6	Clerk-Recorder	7.30
7	OC Community Resources	6.85
8	Child Support Services	6.80
9	PA/PG	6.60
10	OC Public Works	6.55
11	County Executive Office	6.55
$\mathbf{\vdash}$	Registrar of Voters	5.45
_	Treasurer-Tax Collector	5.20
	OC Waste & Recycling	5.05
	John Wayne Airport District Attorney	4.80
	Assessor	4.75
	Public Defender	4.60
_	County Counsel	4.60
-	Human Resources	4.30
20	OC Dana Point Harbor	4.30
22	Clerk of the Board	4.00

		CENTRALIZED CORE	
#		FUNCTIONS	Audit Coverage
	Department	Functions	
1	A-C, T-TC	Accounts Receivable (Central, Satellite)	Yes - Prior & Current Audits of AR & Collections; CAPS+
2	A-C, T-TC	Claims & Disbursing (Central, Satellite)	Yes- Prior & Current Audits of AP, EFTs
3	T-TC	Treasury & Investments	Yes - Annual Compliance Audit
4	A-C, CEO	Budget, Fee Development	Yes - Prior & Current Audits
5	A-C	General Ledger/General Accounting	Yes - Validation of correct entries in transaction testing
6	A-C	Cost Studies/CWCAP	Audit of fee development
7	Assessor, A-C, T-TC	Property Tax Allocation & Collections	Yes - PTMS Implementation, Tax Collections
8	CEO	Procurement	Yes - Contract Administration, P-cards, sole source contracts
9	A-C	Payroll	Yes - VTI Audit; CAPS+ Implementation
10	A-C	Financial Reporting	Yes - CAFR Footnote Disclosures
11	CEO	Worker's Compensation/Disability	Yes - Risk Management
12	CEO	Public Financing/Bonds	Yes - Receipts, disbursements, bond disclosure, and CFDs

Note: The above centralized, core functions are included for informational purposes.

These functions have not been risk rated, but show where there has been
Internal Audit coverage. Many of these core services are addressed in our audit
testwork when we substantiate and validate financial information from
departmental source documents, through the various manual and automated
sytems, to the official County records such as Revenue/Expense reports and the
General Ledger.

#### LEGEND:



#### **Comments:**

- 1. All audits that are "carry-overs" from prior years are considered higher risk and priority to complete in the current year.
- 2. Audits are generally selected starting first with the High Risk audit areas. Exceptions are made in some instances (e.g. prior audit coverage)
- 3. Some Medium and/or Low Risk audit areas may be selected based upon specific Board of Supervisor or department/agency request.
- 4. Due to limited resources, we are not auditing the High Risk areas in Purchasing & Contracts, Revolving Funds, Payroll and Fiduciary funds.

  These areas have had prior and related audits (e.g. VTI, trust funds, etc.), pose less risk than other processes, and will be considered in future Audit Plans.



				RISK	NEW OR	
	DEPARTMENT	APPLICATION/SYSTEM	DESCRIPTION	RATING	ADDED	COMMENTS/LAST AUDIT
	HIGHER RISK SYSTEMS - ALL					
	Assessor	ATS (Assessment Tax System) CAPS Advantage 2.2	property assessment/annual roll	High		Audited every 5 years by the State (2006). State audit has limited IT coverage.
	Auditor-Controller Auditor-Controller	ATS (will be replaced by PTMS)	payroll tax calculations & allocations	High High		For FY 10-11, continue with CAPS+ Implementation - Controls Assistance (prior year #2845).  For FY 10-11, continue with PTMS Implementation - Controls Assistance (prior year #2945).  Allocation audited by State every 3 years (2008).
4	Auditor-Controller	CAPS+ (Advantage 3.7)	accounts payable, disbursements	High		For FY 10-11, audit of change management planned. #2845
	Addition Controlled	on 57 (Nevantage 5.7)	accounts payable, disputsements	111911		CAPS+ Implementation-Controls Assistance (2009/2010). #2948 Oracle database (2010). #2821 Integrated audit of electronic fund transfers (2010).
5	Auditor-Controller	CAPS+ (Advantage 3.7)	job cost, cost allocation, labor distribution	High	significant upgrade	For FY 10-11, audit of change management planned. #2845 CAPS+ Implementation-Controls Assistance (2009/2010). #2948 Oracle database (2010).
6	Auditor-Controller	CAPS+ (Advantage 3.7)	general ledger, financial reporting	High	significant upgrade	For FY 10-11, audit of change management planned. #2948 Oracle database (2010). #2845 CAPS+ Implementation Assistance(2009). Annual CAFR by external auditors (YE 6/30/08)
7	Auditor-Controller	CAPS+ (Advantage 3.7)	fixed asset accounting	High	new	For FY 10-11, audit of change management planned for FY 10-11.  #2845 CAPS+ Implementation Assistance(2009). Annual CAFR by external auditors (YE 6/30/08)
	Auditor-Controller & Other Depts	VTI (Intelitime Virtual Timecard)	time keeping for multiple departments	High		#2631 ICA - Central Payroll Processes (SSN issue corrected). #2763 SSN Audit.
9	CEO/Finance	CAPS+ (Advantage 3.7)	purchasing	High	significant upgrade	For FY 10-11, audit of change management planned for FY 10-11.  #2845 CAPS+ Implementation-Controls Assistance (2009/2010). #2948 Oracle database (2010).
	HCA/Behavioral Health	Cerner Millennium (IRIS) 2004.01	integrated e-medical record system	High		For FY 10-11, integrated audit of HCA medical billing planned.
	HCA/Medical Billing	Public Health Billing - Practice Expert Plus	patient data & billing of all claim types for clinics	High		For FY 10-11, integrated audit of HCA medical billing planned.
	Human Resources Department	CAPS Advantage 2.2	personnel management	High		For FY 10-11, continue with CAPS+ Implementation - Controls Assistance (prior year #2845).
	Human Resources Department	CAPS Advantage 2.2	position control	High High		For FY 10-11, continue with CAPS+ Implementation - Controls Assistance (prior year #2845).
	Sheriff-Coroner T-TC/Tax Collector	Sheriff's Data System (SDS) ATS (Assessment Tax System)	automated jail system, warrant services, arrest records tax bill generation and collection of taxes	High High		For FY 10-11, continue with PTMS Implementation - Controls Assistance (prior year #2945).
	T-TC/Treasurer	Quantum-QRISK	treasury management system	High		Ltd review of IT controls - 12/31/09 mandated audit performed by A-C's Internal Audit Unit.  #2821 Reviewed user access & selected application controls for electrons fund transfers (2010).
	MODERATE RISK SYSTEMS					#2021 Neviewed ascratecess & selected application controls for electronic fund transfers (2010).
	CASE MANAGEMENT SYSTEMS					
	County Counsel	Case Management System (Time Matters)	case & document management for attorneys	Moderate		
	District Attorney	CMS (Case Management System)	tracks filing status of criminal cases	Moderate		DA obtained security assessment by Foundstone in 2007.
	District Attorney	Child Abduction	track abducted children, custody disputes	Moderate		
	District Attorney	Consumer, Major Fraud, Environmental Violations	tracks cases under investigation prior to filing	Moderate		
	District Attorney	Special Assignment Investigations	tracks special cases under investigation prior to filing	Moderate		
	District Attorney	Felony Projects Case Tracking	tracks felony cases under investigation prior to filing	Moderate		
	District Attorney District Attorney	Welfare Fraud Case Tracking IRIS (Incident Reporting Information System)	tracks welfare cases under investigation prior to filing records complaints, tracks disposition	Moderate Moderate		
	HCA/Correctional Medical Services	CHART (Correctional Health Assessment Records/Tracking), CIPs&CMS	medical records mgmt & tracking/dispensing of meds	Moderate		HCA performed internal review in 2008.
	HCA/Public Health	AIDS Regional Information & Evaluation System (ARIES)	management of AIDS cases and services	Moderate		THON performed internal review in 2000.
	Probation	ICMS (Integrated Case Management System)	probation case management for adults and juveniles	Moderate	new	
	Public Defender	CMS (Case Management System) V2.0	manage & tracks PD cases	Moderate		
	Sheriff-Coroner	Records Management System (RMS)	collects/tracks/stores crime reports, citations, etc.	Moderate		
	SSA	Orangewood Children's Home Info. System (OCIS)	used to register and track children staying at site	Moderate		
	CONSORTIA OR STATE MANAGED SYST					
	Child Support Services	Child Support Enforcement (replaced CCSAS, ARS, CC Internet)	child support case mangement/database	Moderate		
	Child Support Services	CalWin (CalWorks Information Network)	benefit management & tracking	Moderate		
	Child Support Services/Financial Units	State Distribution Unit (SDU)	provide child support payment collection & distribution data	Moderate		
	HCA/Public Health/CCS HCA/Public Health/WIC	Children's Medical Services Network (CMSNet) System ISIS (Integrated State Information System)	full-scope case mgmt (hosted at State data center) WIC nutritional data system	Moderate Moderate		
	OCCR/Community Services	JTA (Job Training Automation System)	track/report clients receiving job training	Moderate		
	Probation	CLETS SRF (Supervised Release File) Interface	interface to statewide sys/maintain probation records	Moderate		
	SSA	CalWin (CalWorks Information Network)	benefit management & tracking	Moderate		2007 audited by MG&O (prior external auditors).
9	SSA	Child Welfare Services/Case Management Sys. (CWS/CMS)	manage child abuse referrals/cases (hosted at State)	Moderate		,
	FINANCIAL & FINANCIAL RELATED SY					
	Auditor-Controller	C3PO-County Check Creation & Printed Output (replaced RxLaser)	prints checks for accts. payable, trust, welfare, payroll	Moderate		
	Auditor-Controller	CUBS Collection System	billing and collection for various departments	Moderate		#2428-B Collection & A/R Audit (2005), 1st Follow Up, 2nd/Final Follow Up (completed 2010)
	Clerk-Recorder	CornerStone  Detty Coch Check Concretion	cash receipting application	Moderate	new	
	District Attorney	Petty Cash Check Generation	petty cash check generation and reconciliation	Moderate	now	
	District Attorney John Wayne Airport/IT	Cash Advance Tracker (CAT) McGann Parking Revenue Control System	Allow Finance to track cash advances to employees track parking revenues & ticket counts	Moderate Moderate	new	#2732 Audit of parking revenue and control processes (2008)
	OCCR/Parks	HBP Reservations System	park reservations & point of sale cashiering	Moderate		"2732 Mail of parking revenue and control processes (2000)
-	OCCR/Parks	ProgPay (Progress Payment System)	construction bids and payment management system	Moderate	added	Added for OCCR department restructure. Also used by and listed under OCPW.
	OC Dana Point Harbor	Spherix	Cash register to collect fees	Moderate	new	The state of the s
10	OC Public Works	Energy Cap	automate processing of utility invoices	Moderate	new	
	OC Public Works/Construction	ProgPay (Progress Payment System)	construction bids and payment management system	Moderate		
	OC Public Works/Geomatics & Land Info	E-Commerce System	sells downloads of maps and land information	Moderate		
	OC Public Works	Flagship Billing System	fleet billing (admin, pool, parts, svc) interf. w/Fleet Focus	Moderate		#2823 Transportation Billing Audit with some Itd IT coverage of user access.
	OC Public Works	Transportation Billing System	interdepartmental billing of fleet depreciation	Moderate		#2823 Transportation Billing Audit with some ltd IT coverage.
	OC Waste & Recycling	Accounts Receivable (Microsoft Great Plains eEnterprise)	accts. rcble., cust. account info., landfill trans. & billing	Moderate		#2327 IT Audit (2003) & #2524 1st Follow-Up (2006) & #2626 Final Follow-Up (2007).
	OC Waste & Recycling	Landfill Fee Collection (Paradigm)	landfill cash receipting and records tonnage info.	Moderate		#2327 IT Audit (2003) & #2524 1st Follow-Up (2006) & #2626 Final Follow-Up (2007).  Biennial mandated audit (including IT controls) performed by A-C's Internal Audit Unit (2008).
	Probation TTC/Tax Collector	PFS (Probation Financial System) Netvantage Cashiering System	manages financial obligations of probationers cashiering support for counter pymts of prop. Taxes	Moderate Moderate	-	Ltd review of IT controls - 12/31/09 mandated audit performed by A-C's Internal Audit Unit
	TTC/Tax Collector	Public Defender System	record collection of public defender judgements	Moderate		Eta Teview of 11 controls - 12/31/07 manuatea addit performed by A-6.3 internal Addit Offit
	TTC/Tax Collector	Remittance Processing System	check scanning & payment posting	Moderate		
					-	



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DOCUMENT IMAGING SYSTEMS					
1 Auditor-Controller & HR & CEO/IT	ERMI (Electronic Report Management & Imaging) & OnBase	financial, payroll, & HR report archiving	Moderate		Security assessment performed by Foundstone in 2007.
2 District Attorney	DocWarehouse	Digital archive of case documentation	Moderate	new	
3 OC Public Works	EDMS (Electronic Document Management System) - OnBase	manage documents electronically	Moderate		
4 Probation	EDMS (Electronic Document Management System)	electronic forms and storage of case documents	Moderate		
LAW ENFORCEMENT SYSTEMS	BILL including CMS Web Services (interface)	Track materials of valuntoers cumplying DNA comple	Madarata		
1 District Attorney	High Tech Crimes	Track metadata of volunteers supplying DNA sample	Moderate		
2 District Attorney 3 District Attorney	Evidence Tracking	Track metadata of electronic equipment evaluated by unit.  Track metadata of electronic equipment evaluated by unit.	Moderate Moderate	new	
4 District Attorney	Electronic Directions for Complaint	Allow police agencies to submit data directly to DA	Moderate	new	
5 Probation	Penal Code 1210 Violations system	information sharing w/HCA & drug treatment providers	Moderate	TIEW	
6 Probation	CABS (Computerized Arrest & Booking System)	store photos of all probationers	Moderate		
7 Sheriff-Coroner	BMC Remedy AR Systems (14 applications)	property inventory, patrol in/out, evidence, jail supplies	Moderate		
8 Sheriff-Coroner	Computer-Aided Dispatch (CAD)	tracks calls for service and units responding to calls	Moderate		
9 Sheriff-Coroner	ELETE (Enhanced Law Enforcement Telecommunications Emulator)	allows S-C access to state/fed law enforcement data	Moderate		
10 Sheriff-Coroner	Mobile Version 3.5	track & update emergency & non-emerg. calls for svc.	Moderate		
MULTI-DEPARTMENT OR MULTI-FUN					
1 Auditor-Controller	E-Procurement	online office supplies purchasing	Moderate		
2 Clerk of the Board	ATS (Assessment Tax System)	property tax assessment appeals tracking	Moderate		For FY 10-11, continue with PTMS Implementation - Controls Assistance (prior year #2945).
3 CEO/IT	OCid	identity management	Moderate	new	CEO/IT obtained security assessment by third party.
4 CEO/Finance	Brass (CAPS)	budgeting	Moderate		
5 HCA/Environmental Health	Envision	tracks field inspections/violations & generates billings	Moderate		HCA performed internal application review in 2008.
6 OCCR/Animal Care	Chameleon	animal care operations (kennel, veterinary, licensing)	Moderate		HCA performed internal security review in 2005.
7 OCCR/Housing Authority	Housing Pro (HAPPY)	manage section 8 housing assistance	Moderate		#2724 Audit of Housing Assistance Payments & Itd IT coverage (2008)
8 OCCR/Public Library	SIRSI Unicorn/iBistro	patron and material information system	Moderate		Library performed internal review in 2007.
9 OC Public Works	APPS (Automated Permitting and Planning System)	enterprise system for permit processing & accounting	Moderate		
10 OC Public Works/Ag. Commissioner	Weights & Measures	allows field inspectors to track inspection data, billings	Moderate		
11 OC Public Works/Transportation	Fleet Focus (FleetAnywhere)/Flagship Billing	complete solution for transportation fleet mgmt & billing	Moderate		#2823 Transportation Billing Audit with some ltd IT coverage of user access.
12 Public Administrator/Public Guardian	ePAGES (Enhanced Public Administrator Guardian Electronic Sys.)	case management and accounting system	Moderate		For FY 10-11, continue with OCPACS Implementation - Controls Assistance (prior year #2923).
PERSONNEL & BENEFITS SYSTEMS					
1 Human Resources Department	1992 Defined Benefits	1992 DB plan enrollment and contributions tracking	Moderate		Info in the database is audited annually by Mercer.
2 Human Resources Department	Employee Benefits Data Warehouse	provides info. on employee benefit deductions	Moderate		
3 Human Resources Department	Online Recruitment System (application svc provider NeoGov)	on-line job application management	Moderate		
4 Human Resources Department	Personnel Data Warehouse	provides info. on HR transactions and summaries	Moderate		
TREASURY MANAGEMENT SYSTEMS	Bi I	P. 10 P.			
1 TTC/Treasurer	Bloomberg	on-line securities trading	Moderate		Ltd review of IT controls - 12/31/09 mandated audit performed by A-C's Internal Audit Unit
2 TTC/Treasurer	Fund Accounting	fund accounting reconciliation	Moderate		Ltd review of IT controls - 12/31/09 mandated audit performed by A-C's Internal Audit Unit
VOTING & RELATED SYSTEMS  1 Registrar of Voters	Pitney Bowes Inserter/Sorter	processes absentee ballots	Moderate		
2 Registrar of Voters	EIMS (Election Information Management System)	voter registration info, election data, precinct info	Moderate		
3 Registrar of Voters	Hart Personal Voting System	vote casting and tabulation	Moderate		Audited & certified by the State in 2007.
4 Registrar of Voters	NetFile Electronic Filing System	track political campaign financial disclosures	Moderate	new	Addited & certified by the State in 2007.
5 Registrar of Voters	Maptitude	GIS for precinct and district boundaries	Moderate	TIEW	
OTHER/OPERATIONAL SYSTEMS	mapmaas	ere for present and district boundaries	ouorato		
1 Child Support Services	Internet On-Line Forms	allows clients to apply for child support services	Moderate		
2 Clerk-Recorder	ClerkDocs	process various registrations	Moderate		
3 Clerk-Recorder	VitalDocs	issue certificates (birth, death, marriage)	Moderate		
4 Clerk-Recorder	Electronic Recording	electronic recording of real property documents	Moderate		
5 Clerk-Recorder	Grantor/Grantee	maintain public records for real property	Moderate		
6 Clerk-Recorder	EFBN (E-Fictitious Business Name)	business name database and public search	Moderate	new	
7 HCA	COR (Custodian of Records)	tracks requests for medical and mental health records	Moderate		
8 HCA/Behavioral Health/CMS	Digital Radiology System	take and process Xrays	Moderate		
9 HCA/Public Health	Employee Health Data System (EHDS)	employee health and case management]	Moderate		
10 HCA/Behavioral Health	ACCTivate Inventory Management System	inventory disaster supplies and equipment	Moderate		
11 HCA/BHS, MHSA	Caminar	monitor FSP data	Moderate		
12 HCA/BHS, MHSA	Birth & Death Registration System	records all births and deaths in county	Moderate		
13 HCA/EMS	EMS Data System	Patient data repository for OC emergency service providers	Moderate	new	
14 HCA	Public Health Digital Radiology System	Digital X-ray system	Moderate	new	
15 HCA/EH	Chemical Inventory System (Portal)	Add'l module of Envision for chemical inventory	Moderate	new	
16 John Wayne Airport/Facilities & Maint.	Ccure (Softwarehouse)	monitor entrance/exits of all secured access areas	Moderate		
17 John Wayne Airport/Facilities & Maint.	Pelco 9760 (Closed Circuit TV System)	controls CCTV system & interfaces w/Ccure system	Moderate		
18 OCCR/Community Services	SAMS 2000 (Senior Access Management System)	records services provided & funds used by contractors	Moderate		
	VetProWeb Orange County Parks Permits (OCPP)	track veteran claims & report to CA Veteran's Affairs	Moderate	added	
19 OCCR/Community Services		manage public permit data	Moderate Moderate	auueu	
20 OCCR/Parks		allows staff to manage reports on parcel man records			
20 OCCR/Parks 21 OC Public Works/Engineering	Subdivision Database System	allows staff to manage reports on parcel map records			
20 OCCR/Parks 21 OC Public Works/Engineering 22 OC Public Works/Facility Operations	Subdivision Database System FM1 (Facilities Management)	manage maintenance work orders & billing countywide	Moderate		
20 OCCR/Parks 21 OC Public Works/Engineering 22 OC Public Works/Facility Operations 23 OC Public Works/Permits	Subdivision Database System FM1 (Facilities Management) Transportation Permit Systems	manage maintenance work orders & billing countywide allows staff to manage transportation permits	Moderate Moderate		
20 OCCR/Parks 21 OC Public Works/Engineering 22 OC Public Works/Facility Operations 23 OC Public Works/Permits 24 OC Public Works/Public Works	Subdivision Database System FMT (Facilities Management) Transportation Permit Systems MaintStar (operations & maintenance)	manage maintenance work orders & billing countywide allows staff to manage transportation permits track work requests for streets, sidewalk, Flood Control	Moderate Moderate Moderate	new	
20) OCCR/Parks 21 OC Public Works/Engineering 22 OC Public Works/Facility Operations 23 OC Public Works/Permits 24 OC Public Works/Public Works 25 OC Public Works/Public Works	Subdivision Database System FM1 (Facilities Management) Transportation Permit Systems MaintStar (operations & maintenance) Road Project/Grant Tracking Database	manage maintenance work orders & billing countywide allows staff to manage transportation permits track work requests for streets, sidewalk, Flood Control maintain and track Project, Grant, Invoice data	Moderate Moderate Moderate Moderate	new	
20 OCCR/Parks 21 OC Public Works/Engineering 22 OC Public Works/Facility Operations 23 OC Public Works/Permits 24 OC Public Works/Public Works 25 OC Public Works 26 Probation	Subdivision Database System FM1 (Facilities Management) Transportation Permit Systems MaintStar (operations & maintenance) Road Project/Grant Tracking Database VisionCad (VisionAir Computer-Aided Dispatch)	manage maintenance work orders & billing countywide allows staff to manage transportation permits track work requests for streets, sidewalk, Flood Control maintain and track Project, Grant, Invoice data tracks personnel in field for safety/accountability	Moderate Moderate Moderate Moderate Moderate Moderate	new	
20 OCCR/Parks 21 OC Public Works/Engineering 22 OC Public Works/Facility Operations 23 OC Public Works/Permits 24 OC Public Works/Public Works 25 OC Public Works/ University Occupance 26 OC Public Works (1997)	Subdivision Database System FM1 (Facilities Management) Transportation Permit Systems MaintStar (operations & maintenance) Road Project/Grant Tracking Database	manage maintenance work orders & billing countywide allows staff to manage transportation permits track work requests for streets, sidewalk, Flood Control maintain and track Project, Grant, Invoice data	Moderate Moderate Moderate Moderate	new	



LOWER RISK SYSTEMS					
1 Auditor-Controller	Employee Pay Stub Portal	allows employee viewing of biweekly payroll pay stubs	Low		
2 Auditor-Controller	Training Partner	on-line tracking of employee training classes	Low		
3 Child Support Services/TACS	Call Log - Front Page	capture call information	Low		
4 Child Support Services/TACS	Higherground Call Recording System	record phone conv. between call center and customer	Low	new	
5 Child Support Services	Timeline Tracking Tool	captures case date/time information	Low	Hew	
6 Child Support Services/IT	Help Desk Database	database to enter and track help desk tickets	Low		
7 Child Support Services	Internet Content Management	update content on CSS websites	Low		
8 Child Support Services	Public Service Center Automated Check-in System (PACS)	check-in sys to monitor wait & interview times	Low		
	Security Master Database				
9 Child Support Services		database used to display user access levels	Low Low		
10 Child Support Services	Facilities Request Center	facility maintenance tracking			
11 Child Support Services	Issue Tracking Tool	tracks reported issues	Low		
12 Child Support Services	Enterprise Customer Service Solution (ECSS)	manage call center operators	Low		
13 Child Support Services	Consolidated Calendaring System	Shared calendar for Courts & CSS, reporting and stats	Low	new	
14 Child Support Services	Trust Fund Memo Tool	manage call center operators	Low	new	Clark of the Deced conferenced internal action in 2000
15 Clerk of the Board	CAMS (Comprehensive Agenda Mgmt Solution)	board agenda management	Low		Clerk of the Board performed internal review in 2008.
16 Clerk of the Board	Conflict of Interest or Disclosure Docs (COI)	COI forms are scanned & tracked; also public viewing	Low		
17 Clerk of the Board	SEI-eFile (COI - Statement of Economic Interest Form 700s)	allows filing COI online & paperless retention	Low		
18 Clerk of the Board	Web e-Agenda Search - intranet	agenda items acted upon by BOS can be searched	Low		
19 Clerk of the Board	Claim for Money or Damages and Litigation against the County	Collect and share claim data electronically	Low	new	
20 CEO/Finance	CEO Budget Intranet	budget information pooling application	Low		
21 CEO/Finance	CEO Budget Strategic Financial Plan Intranet	budget information pooling application	Low		
22 CEO/IT	E-Government System (eGov)	provide citizens a common web presence/portal	Low		
23 District Attorney	Branch Court Services	assist investigators assigned to branch courts	Low		
24 District Attorney	Personnel Threats	tracks threats made against personnel	Low		
25 District Attorney	Juvenile Truancy Tracking	tracks juvenile school absences & creates documents	Low		
26 District Attorney	MCLE (Mandatory Legal Education Credit tracking)	monitors mandatory legal education classes	Low		
27 HCA/Public Health	Specimen Tracking	specimen tracking system	Low		
28 HCA/Information Technology	TouchPaper	tracks & manages IT help desk tickets	Low		
29 HCA	Purchasing (Legacy Tracking System)	track and report purchases, pymts, assets	Low		
30 Human Resources Department	Online Volunteer Interpreter List	database of county employee interpreters	Low		
31 Human Resources Department	Virtual Rideshare Survey	commuter survey information	Low		
32 John Wayne Airport/Facilities & Maint.	Apogee (Siemens)	maintain & monitor HVAC systems	Low		
33 John Wayne Airport/IT	FIDS/BIDS (Flight & Baggage Information System)	arrival & departure information display for the public	Low		
34 John Wayne Airport/IT	Gatekeeper	vehicle monitoring/tracking ground transportation	Low		
35 John Wayne Airport/Facilities & Maint.	Panelview (Jervis Webb)	monitors baggage system operations, reports problems	Low		
36 John Wayne Airport/IT	PropWorks	monitor contracts, leases, FBOs, concessions	Low		
37 John Wayne Airport/IT	TAMIS (Tracor Airport Management Info Systems)	monitor airport noise levels (PASSUR & ARIS)	Low		
38 John Wayne Airport/Facilities & Maint.	Vesta (emergency phone system)	manages JWA emergency phone system	Low		
39 OCCR/Community Services	Refer (Office on Aging Information & Referral)	provides and tracks resource information for seniors	Low		
40 OCCR/Community Services	TASKE/MYTEL	Call center reader board and statistical analysis	Low	added	
41 OCCR/Parks	eBoard	electronic in/out board	Low	new	
42 OCCR/Parks	OSO (Overage/Shortage Online Reporting System)	overage/shortage tracking for park cashiers	Low		
43 OCCR	Expediter - department wide use	tracks requisition, service request, invoice transmittals	Low	added	Added for OCCR department restructure. Also used by and listed under OCPW.
44 OCCR	Management Status Reports (MSR) - department wide use	std reporting system for OC Public Works projects	Low	added	Added for OCCR department restructure. Also used by and listed under OCPW.
45 OCCR	OCCR Budget Forms Routing System (BFASTER) - dept wide use	tracks proposed budgets, creates summary reports	Low	added	Added for OCCR department restructure. Also used by and listed under OCPW.
46 OC Public Works	Expediter II	tracks requisition, service request, invoice transmittals	Low	aaaca	Traded for Gook department restructure. This discussed by and listed direct Got W.
47 OC Public Works	Management Status Reports (MSR) - department wide	std reporting system for OC Public Works projects	Low		
48 OC Public Works	Budget Forms Automation	tracks proposed budgets, creates summary reports	Low		
49 OC Public Works 49 OC Public Works/Administration	Training Partners	track and schedule training classes for staff	Low		
50 OC Public Works	Customer Care Tracking System	track and scriedule training classes for staff track complaints, suggestions, compliments from constituents	Low		
51 OC Public Works	Road Assignment Tracking System	track Road Division projects/assignments	Low		
	Purchasing Contract Website	allow Buyers to post solicitation documents	Low		
52 OC Public Works 53 OC Public Works		end users create service requests	Low		
	Footprints  PAC (Personnel Action Card) System				
54 OC Public Works	PAC (Personnel Action Card) System  NDDES (National Pollution Displayers Flimination System)	allow produce, route and approve PAC info	Low		
55 OC Public Works/Watershed	NPDES (National Pollution Discharge Elimination System)	state mandated reporting system	Low	new	
56 OC Public Works	Business Card	Print business cards for OCPW staff	Low	new	
57 OC Public Works	Customer Care Database	Track customer inquiries	Low	new	
58 OC Public Works	Regulatory Permit System	manage regulatory permits	Low	new	
59 OC Public Works	County Property Permits (CPP/TUF)	replaced by APPS; used for historical purposes only	Low	added	
60 Probation	Juvenile Hall Staff Scheduling	staff scheduling system for institutions/camps	Low		
61 Registrar of Voters	IVR (Interactive Voice Response System)	voting information for public inquiry	Low		
62 Registrar of Voters	Registrar of Voters Enterprise Resource (ROVER)	Purchasing approval system	Low		
63 Registrar of Voters	Campaign File Disclosure System	track political campaign financial disclosures	Low		
64 TTC/Treasurer	Automatic Call Distributor - Customer Interaction Center	manage calls to TTC collections	Low		



DISCONTINUED SYSTEMS - ALL		
1 Auditor-Controller	CAPS/Fixed Asset System (AC42)	fixed asset accounting
2 Child Support Services	Dissomaster	calculate child support payments due
3 Child Support Services	COSTARS (Online Storage and Retrieval Solution)	store and view case management documentation
4 Clerk-Recorder	Cashiering System	cash receipting application
5 Clerk-Recorder	CATS 2000	issue marriage licenses (part of ClerkDocs)
6 Clerk-Recorder	FBN (Fictitious Business Name)	business name database and public search
7 HCA/Medical Billing Unit	Posting System (Financial Counselors)	accts for payments rec'd for services rendered
8 HCA/Behaviorial Health	AMS (Addiction Management System)	patient tx plans, inventory cntrl, billing, reporting
9 HCA	Contract Services - WestMed	monitor services provided by Western Medical
10 Human Resources Department	ORS (Online Recruitment System)	obtaining/accessing transfer applications
11 Human Resources Department	Online Training Registration	training class enrollment management
12 OC Public Works	Summary Billing	processing of utility invoices; replaced by EnergyCap
13 Probation	CMS (Case Management System)	probation case management for adults and juveniles
14 Probation	JIAS (Juvenile Intake Assessment System)	juvenile intake assessment
15 Probation	Risks/Needs Assessment	assess probationer needs, risks, level of supervision
16 Probation	AIS (Adult Intake System)	automates the first stage of the adult intake process
17 Probation	Adult Probationer - Shared Terms & Conditions	shares info on adult probationers w/law enforcement
18 Probation/Institutional Services	IMS (Institution Management System)	juvenile in-custody mgmt - booking, assessing, tracking
19 Probation	Electronic Contact Reporting (ECR)	web based case supervison system
20 Probation	Minute Order Electronic Exchange System (Eminute)	allows real time viewing of superior court minute orders
NON-CRITICAL OR OTHER SYSTEM	MS REMOVED - ALL	
1 TTC/Treasurer	GQ	reconciles Quantum to Bloomberg
2 TTC/Treasurer	Gateway	middleware between Quantum and Bloomberg
3 TTC/Treasurer	Deposit Order Reconciliation	automate reconciliation of deposit orders
4 TTC/Tax Collector	Check21 Implementation	sends check images to Wells Fargo for payment process
5 TTC/Treasurer	WAM (Weighted Average Maturity)	estimates weighted average maturity
6 TTC/Tax Collector	Tax Apportionment System	apportion taxes

SYSTEM COUNTS				
16	Higher Risk Systems			
108	Moderate Risk Systems			
64	Lower Risk Systems			
188	Total Systems			

	Total Systems
31	New or Added Systems
(6)	Systems Removed (non-critical)
	Systems Discontinued
	Systems Last Year