



INTERNAL AUDIT DEPARTMENT



**Second & Final Close-Out Follow-Up
Internal Control Audit:
Sheriff-Coroner
Concealed Carry Weapon Licensing
and Records Units Cash Receipts**

As of December 7, 2021

**Audit No. 2139-P (Reference 1918-F2)
Report Date: December 30, 2021**

Recommendation Status

FIRST FOLLOW-UP SECOND FOLLOW-UP

4	Implemented	2
2	In Process	0
0	Not Implemented	0
0	Closed	0

Second Follow-Up totals represent findings that were
In Process or Not Implemented at First Follow-Up

OC Board of Supervisors

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5th DISTRICT



INTERNAL AUDIT DEPARTMENT

Audit No. 2139-P
(Reference 1918-F2)

December 30, 2021

To: Don Barnes
Sheriff-Coroner

From: Aggie Alonso, CPA, CIA, CRMA
Internal Audit Department Director

Subject: Second & Final Close-Out Follow-Up Internal Control Audit: Sheriff-Coroner
Concealed Carry Weapon Licensing and Records Units Cash Receipts

We have completed a follow-up audit of Sheriff-Coroner's (OCSD) cash receipts process for the Concealed Carry Weapon Licensing and Records units as of December 7, 2021, original Audit No. 1918, dated August 17, 2020. Due to the sensitive nature of a specific finding (restricted information), only the results for Finding No. 3 immediately follow this letter. Results for Finding No. 1 are included in Appendix A (which is redacted from public release) and additional information including background and our scope is included in Appendix B.

Our second follow-up audit concluded OCSD implemented the two (2) remaining recommendations from the original audit. Because the recommendations were implemented, this report represents the final close-out of the original audit.

We appreciate the assistance extended to us by OCSD personnel during our follow-up audit. If you have any questions, please contact me at 714.834.5442 or Assistant Director Scott Suzuki at 714.834.5509.

Attachments

Other recipients of this report:

- Members, Board of Supervisors
- Members, Audit Oversight Committee
- Sheriff-Coroner Distribution
- Robin Stieler, Clerk of the Board of Supervisors
- Foreperson, Grand Jury
- Eide Bailly LLP, County External Auditor

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RESULTS

FINDING NO. 1	Removed due to the sensitive nature of the finding.
FINDING NO. 3	Business Continuity Plan
CATEGORY	Control Finding
RECOMMENDATION	OCSD establish a written policy and procedure detailing a business continuity plan in the event the in-house financial system or the licensing software become inoperable.
CURRENT STATUS	<p>Implemented. The first follow-up audit concluded OCSD implemented a business continuity plan (BCP) for the licensing software. Since then, OCSD updated its cash receipts policy and procedures to include a BCP in the event the in-house financial system becomes inoperable.</p> <p>Based on the actions taken by OCSD, we consider this recommendation implemented.</p>

AUDIT TEAM	Scott Suzuki, CPA, CIA, CISA, CFE Michael Dean, CPA, CIA, CISA Gianne Morgan, CIA, CISA Alejandra Hernandez Mari Elias, DPA	Assistant Director Senior Audit Manager Audit Manager Senior Auditor Administrative Services Manager
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APPENDIX A: RESTRICTED INFORMATION

Content in Appendix A has been removed from this report due to the sensitive nature of the specific findings.



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APPENDIX B: ADDITIONAL INFORMATION

SCOPE	Our follow-up audit was limited to reviewing actions taken by OCSD as of December 7, 2021 to implement the two (2) remaining recommendations from our first follow-up Audit No. 2039-K, dated May 20, 2021.
BACKGROUND	The original audit evaluated operational effectiveness of internal control over the cash receipts process. The first follow-up audit concluded OCSD implemented four (4) recommendations and was in process of implementing two (2) recommendations.



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APPENDIX C: FOLLOW-UP AUDIT IMPLEMENTATION STATUS

Implemented	In Process	Not Implemented	Closed
<p>The department has implemented our recommendation in all respects as verified by the follow-up audit. No further follow-up is required.</p>	<p>The department is in the process of implementing our recommendation. Additional follow-up may be required.</p>	<p>The department has taken no action to implement our recommendation. Additional follow-up may be required.</p>	<p>Circumstances have changed surrounding our original finding/recommendation that: (1) make it no longer applicable or (2) the department has implemented and will only implement a portion of our recommendation. No further follow-up is required.</p>

