



INTERNAL AUDIT DEPARTMENT



Second & Final Close-Out Follow-Up Internal Control Audit: Social Services Agency Purchasing & Contracts

As of January 30, 2023

Audit No. 2239-M (Reference 2016-F2)
Report Date: March 27, 2023

Recommendation Status

FIRST FOLLOW-UP

2

1

0

0

SECOND FOLLOW-UP

1

0

0

0

Implemented

In Process

Not Implemented

Closed

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

OC Board of Supervisors

CHAIRMAN DONALD P. WAGNER
3rd DISTRICT

VICE CHAIRMAN ANDREW DO
1st DISTRICT

SUPERVISOR VICENTE SARMIENTO
2nd DISTRICT

SUPERVISOR DOUG CHAFFEE
4th DISTRICT

SUPERVISOR KATRINA FOLEY
5th DISTRICT



INTERNAL AUDIT DEPARTMENT

Audit No. 2239-M
(Reference 2016-F2)

March 27, 2023

To: An Tran
Social Services Agency Director

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

Subject: Second & Final Close-Out Follow-Up Internal Control Audit: Social Services Agency Purchasing & Contracts

We have completed a follow-up audit of Social Services Agency (SSA) purchasing and contracts process as of January 30, 2023, original Audit No. 2016, dated September 23, 2021. Details of our results immediately follow this letter. Additional information including background and our scope is included in Appendix A.

Our second follow-up audit concluded SSA implemented the one (1) remaining recommendation from our original audit. Because the recommendation was implemented, this report represents the final close-out of the original audit.

We appreciate the assistance extended to us by SSA personnel during our follow-up audit. If you have any questions, please contact me at (714) 834-5442 or Michael Dean at (714) 834-4101.

Attachments

Other recipients of this report:

- Members, Board of Supervisors
- Members, Audit Oversight Committee
- County Executive Office Distribution
- Social Services Agency Distribution
- Robin Stieler, Clerk of the Board
- Foreperson, Grand Jury
- Eide Bailly, LLP, County External Auditor

INTERNAL AUDIT DEPARTMENT

RESULTS

FINDING NO. 3	Internal Policy and Procedures
CATEGORY	Control Finding
RECOMMENDATION	SSA management update all internal policy and procedures regarding purchasing and align them with current County policy.
CURRENT STATUS	<p>Implemented. SSA revised several internal policies and procedures to align them with current County policy.</p> <p>Based on the actions taken by SSA, we consider this recommendation implemented.</p>

AUDIT TEAM	Michael Dean, CPA, CIA, CISA Zan Zaman, CPA, CIA, CISA Gabriela Cabrera Mari Elias, DPA	Senior Audit Manager Audit Manager Senior Auditor Administrative Services Manager
-------------------	--	--



INTERNAL AUDIT DEPARTMENT

APPENDIX A: ADDITIONAL INFORMATION

SCOPE	Our follow-up audit was limited to reviewing actions taken by SSA as of January 30, 2023 to implement the one (1) remaining recommendation from our first follow-up Audit No. 2139-J, dated June 30, 2022.
BACKGROUND	The original audit evaluated operational effectiveness of internal control over the purchasing and contracts process. The first follow-up audit concluded SSA implemented two (2) recommendations and was in process of implementing one (1) recommendation.



INTERNAL AUDIT DEPARTMENT

APPENDIX B: FOLLOW-UP AUDIT IMPLEMENTATION STATUS

Implemented	In Process	Not Implemented	Closed
The department has implemented our recommendation in all respects as verified by the follow-up audit. No further follow-up is required.	The department is in the process of implementing our recommendation. Additional follow-up may be required.	The department has taken no action to implement our recommendation. Additional follow-up may be required.	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.

