



# INTERNAL AUDIT DEPARTMENT



**Second & Final Close-Out Follow-Up  
Internal Control Audit:  
OC Community Resources/  
OC Public  
Libraries Special Revenue Fund 120**

**As of October 31, 2024**

**Audit No. 2216-F2  
Report Date: December 17, 2024**

## Recommendation Status

**FIRST  
FOLLOW-UP**

**SECOND  
FOLLOW-UP**

**2**

**Implemented**

**1**

**1**

**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

CHAIRMAN DONALD P. WAGNER  
3rd DISTRICT

VICE CHAIRMAN DOUG CHAFFEE  
4th DISTRICT

SUPERVISOR JANET NGUYEN  
1st DISTRICT

SUPERVISOR VICENTE SARMIENTO  
2nd DISTRICT

SUPERVISOR KATRINA FOLEY  
5th DISTRICT



## INTERNAL AUDIT DEPARTMENT

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Audit No. 2216-F2

December 17, 2024

To: Dylan Wright  
OC Community Resources Director

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

Subject: Second & Final Close-Out Follow-Up Internal Control Audit: OC Community Resources/OC Public Libraries Special Revenue Fund 120

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We have completed a second follow-up audit of OC Community Resources (OCCR)/OC Public Libraries Special Revenue Fund 120 as of October 31, 2024, original Audit No. 2216, dated September 6, 2023. 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 OCCR implemented the one 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 OCCR personnel during our follow-up audit. If you have any questions, please contact me at (714) 834-5442 or Deputy Director Jose Olivo at (714) 834-5509.

### Attachments

#### Other recipients of this report:

- Members, Board of Supervisors
- Members, Audit Oversight Committee
- County Executive Office Distribution
- OC Community Resources Distribution
- Auditor-Controller Satellite Accounting Operations Distribution
- Robin Stieler, Clerk of the Board
- Foreperson, Grand Jury
- Eide Bailly LLP, County External Auditor

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RESULTS							
<b>FINDING NO. 1</b>	<b>Personally Identifiable Information</b>						
<b>CATEGORY</b>	<b>Significant Control Weakness</b>						
<b>RECOMMENDATION</b>	OCCR management ensure PII is redacted from support documentation.						
<b>CURRENT STATUS</b>	<p><b>Implemented.</b> During our first follow-up audit, OCCR indicated it discontinued its practice of uploading check images as support documentation and revised its written procedures to reflect this change in business process to ensure Personally Identifiable Information (PII) is not included in support documentation. To validate this process was implemented, we judgmentally selected three check deposit transactions recorded to Fund 120 in October 2024. Our examination noted that all three (100%) transactions did not contain PII or check images as part of its support documentation.</p> <p>Based on the actions taken by OCCR management, we consider this recommendation implemented.</p>						
<b>AUDIT TEAM</b>	<table border="0"> <tr> <td>Gianne Morgan, CIA, CISA</td> <td>Senior Audit Manager</td> </tr> <tr> <td>Stephany Franco</td> <td>Senior Auditor</td> </tr> <tr> <td>Gabriela Cabrera, CIA</td> <td>Administrative Services Manager</td> </tr> </table>	Gianne Morgan, CIA, CISA	Senior Audit Manager	Stephany Franco	Senior Auditor	Gabriela Cabrera, CIA	Administrative Services Manager
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## APPENDIX A: ADDITIONAL INFORMATION

<b>SCOPE</b>	Our follow-up audit was limited to reviewing actions taken by OCCR as of October 31, 2024 to implement the one remaining recommendation in process at the time of our first follow-up Audit No. 2216-F1, dated June 27, 2024.
<b>BACKGROUND</b>	The original audit evaluated the operational effectiveness of internal control over Special Revenue Fund 120. The first follow-up audit concluded OCCR implemented two recommendations and was in process of implementing one recommendation.



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## APPENDIX B: 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>

