



INTERNAL AUDIT DEPARTMENT



First & Final Close-Out
Follow-Up Internal Control Audit:
OC Community Resources' Payroll Process

As of September 30, 2019

Audit No. 1939-H (Reference 1813-F1)
Report Date: October 17, 2019

Recommendation Status

1

Implemented

0

In Process

0

Not Implemented

0

Closed

OC Board of Supervisors

Chairwoman Lisa A. Bartlett
5th District

Vice Chair Michelle Steel
2nd District

Supervisor Andrew Do
1st District

Supervisor Donald P. Wagner
3rd District

Supervisor Doug Chaffee
4th District



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Audit No. 1939-H
(Reference 1813-F1)

October 17, 2019

To: Dylan Wright, Director
OC Community Resources

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

Subject: First & Final Close-Out Follow-Up Internal Control Audit: OC Community Resources' Payroll Process

We have completed a follow-up audit of OC Community Resources' (OCCR) payroll process as of September 30, 2019, original Audit No. 1813, dated June 20, 2019. Details of our results immediately follow this letter. Additional information including background and our scope is included in Appendix A.

Our First Follow-up Audit concluded that OCCR implemented one (1) recommendation. 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 Assistant Director Scott Suzuki at 714.834.5509.

Attachments

Other recipients of this report:

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

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RESULTS

FINDING NO. 1	VTI User Access
CATEGORY	Control Finding
RECOMMENDATION	OCCR perform periodic reviews of VTI user access and maintain access to only authorized personnel.
CURRENT STATUS	<p>Implemented. OCCR has implemented a quarterly payroll clerk security role review process via Data Warehouse reports to monitor VTI user access. The most recent review was performed in September 2019. In addition, we reviewed the current VTI payroll clerk user access list and determined that only authorized personnel have access.</p> <p>Based on the actions taken by OCCR, we consider this recommendation implemented.</p>

AUDIT TEAM	Scott Suzuki, CPA, CIA, CISA Michael Dean, CPA, CIA, CISA Gianne Acosta, CIA Alejandra Hernandez	Assistant Director Senior Audit Manager Audit Manager Senior Auditor
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APPENDIX A: ADDITIONAL INFORMATION

SCOPE	Our follow-up audit was limited to reviewing actions taken by OCCR as of September 30, 2019 to implement the one (1) recommendation from our original Audit No. 1813, dated June 20, 2019.
BACKGROUND	The original audit evaluated operational effectiveness of internal control over the payroll process. The original audit identified one (1) Control Finding.



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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.

