



**INTERNAL AUDIT DEPARTMENT**  
**COUNTY OF ORANGE**

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*Integrity  
Objectivity  
Independence*

**FOLLOW-UP AUDIT  
OF DEPARTMENT CONTROL REVIEW  
HEALTH CARE AGENCY  
CASH RECEIPTS,  
ORIGINAL AUDIT No. 2435**

**AS OF MAY 31, 2005**

**AUDIT NUMBER: 2532**

**REPORT DATE: July 14, 2005**

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<b>Audit Director:</b>	<b>Peter Hughes, Ph.D., CPA</b>
<b>Deputy Director:</b>	<b>Eli Littner, CPA, CIA</b>
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**Follow-Up Audit of Department Control Review  
Health Care Agency  
Cash Receipts, Original Audit No. 2435**

**As of May 31, 2005**

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INTERNAL AUDIT DEPARTMENT

OFFICE OF THE DIRECTOR

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PETER HUGHES  
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**Transmittal Letter**

Audit No. 2532

July 14, 2005

TO: Juliette A. Poulson, Director  
Health Care Agency

FROM:  Peter Hughes, Ph.D., CPA, Director  
Internal Audit Department 

SUBJECT: Follow-Up Audit of Department Control Review of Health Care Agency  
Cash Receipts, Original Audit No. 2435, Issued November 17, 2004

We have completed a follow-up audit of internal controls over cash receipts for three Health Care Agency locations: Birth and Death Registration Unit, Budget Technical Unit, and the Westminster Alcohol and Drug Abuse Services Clinic. Our audit was limited to reviewing, as of May 31, 2005, actions taken to implement the recommendations made in our original audit report dated November 17, 2004. The results of our follow-up audit are discussed in the **Internal Auditor's Report** following this transmittal letter.

As the Director of the Internal Audit Department, effective December 14, 2004, I now make a monthly audit status presentation to the Board of Supervisors (BOS) where I detail any material and significant audit findings released in reports during the prior month, the implementation status of audit recommendations as disclosed by our follow-up audits, any pressing audit or resource issues; as well as, respond to inquiries from the BOS. Therefore, the results of this follow-up audit will be included in a future summary to the Board.

Other recipients of this report:

Members, Board of Supervisors  
Members, Audit Oversight Committee  
Thomas G. Mauk, County Executive Officer  
David Riley, Assistant Director, HCA  
Steve Franks, Deputy Agency Director, HCA/Financial & Administrative Services  
Alice Sworder, Manager, HCA/Accounting Services  
Darlene J. Bloom, Clerk of the Board of Supervisors  
Foreman, Grand Jury



**COUNTY OF ORANGE  
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**INTERNAL AUDITOR'S REPORT**

Audit No. 2532

July 14, 2005

Juliette A. Poulson  
Health Care Agency  
405 W. 5<sup>th</sup> St.  
Santa Ana, CA 92701

We have completed a follow-up audit of internal controls over cash receipts at three Health Care Agency locations: Birth and Death Registration Unit, Budget Technical Unit, and the Westminster Alcohol and Drug Abuse Services Clinic. Our audit was limited to reviewing actions taken as of May 31, 2005 to implement the recommendations made in our original audit report dated November 17, 2004.

The original audit report contained eleven (11) recommendations. We are pleased to report that all eleven recommendations have been fully implemented within the timeframe expected by the Board of Supervisors. We commend the above HCA locations for their responsiveness and attentiveness in addressing the audit recommendations made in our original report.

We appreciate the cooperation and assistance extended to us by your staff during our follow-up audit.

Sincerely,

*FOR*  
Peter Hughes, Ph.D., CPA  
Director, Internal Audit

cc: Members, Board of Supervisors  
Members, Audit Oversight Committee  
Thomas G. Mauk, County Executive Officer  
David Riley, Assistant Director, HCA  
Steve Franks, Deputy Agency Director, HCA/Financial & Administrative Services  
Alice Sworder, Manager, HCA/Accounting Services  
Darlene J. Bloom, Clerk of the Board of Supervisors  
Foreman, Grand Jury