



INTERNAL AUDIT DEPARTMENT
COUNTY OF ORANGE

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FINAL CLOSE-OUT

**SECOND FOLLOW-UP AUDIT
LIMITED LEASE REVIEW
OF
BAYSHORE MARINA**

(ORIGINAL AUDIT No. 2352)

AS OF AUGUST 18, 2006

AUDIT NUMBER: 2654-A

REPORT DATE: AUGUST 25, 2006

Audit Director: Peter Hughes, Ph.D., CPA
Deputy Director: Eli Littner, CPA, CIA
Audit Manager: Autumn McKinney, CPA, CIA
In-Charge Auditor: Carol Swe, CPA, CIA

Final Close-Out

**Second Follow-Up Audit
Limited Lease Review of Bayshore Marina
Original Audit No. 2352**

As of August 18, 2006

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Office of the Director
DR. PETER HUGHES
Ph.D., MBA, CPA, CIA, CFE, CITP

MAILING ADDRESS:
400 CIVIC CENTER DRIVE WEST
BUILDING 12, ROOM 232
SANTA ANA, CALIFORNIA 92701

TELEPHONE: (714) 834-5475
FAX: (714) 834-2880

EMAIL: peter.hughes@ocgov.com
WEBSITE: www.ocgov.com/audit/

ELI LITTNER
CPA, CIA, CFE, CFS, CISA
DEPUTY DIRECTOR

ALAN MARCUM
CPA, CIA
AUDIT MANAGER

MICHAEL J. GOODWIN
MBA, CPA, CIA, CFE
AUDIT MANAGER

AUTUMN MCKINNEY
CPA, CIA, CGFM
AUDIT MANAGER

Transmittal Letter

Audit No. 2654-A

August 25, 2006

TO: Bryan Speegle, Director
Resources and Development Management Department

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

SUBJECT: **Final Close-Out** Second Follow-Up Audit of the Limited Lease Review of Bayshore Marina, Original Audit No. 2352

We have completed a second Follow-Up Audit of the Limited Lease Review of Bayshore Marina. Our audit was limited to reviewing, as of August 18, 2006, actions taken to implement the remaining one recommendation noted in our initial Follow-Up Audit report dated July 31, 2006. The recommendation stemmed from our original audit report dated October 20, 2004. The results of our follow-up audit are discussed in the **Internal Auditor's Report** following this transmittal letter. Because satisfactory corrective action has been taken for the one recommendation, this report represents the close-out of the original audit.

As the Director of Internal Audit, I now submit a monthly audit status report to the Board of Supervisors (BOS) where I detail any material and significant audit findings released in reports during the prior month and the implementation status of audit recommendations as disclosed by our Follow-Up Audits. Accordingly, the results of this audit will be included in a future status report to the BOS.

We appreciate the cooperation and assistance extended to us by the personnel of RDMD during our Follow-Up Audit.

Attachment

Other recipients of this report:

Members, Board of Supervisors
Members, Audit Oversight Committee
Thomas G. Mauk, County Executive Officer
David L. Rudat, Interim Deputy CEO/Infrastructure & Environmental Services
Kevin Thomas, Director, RDMD/Harbors, Beaches & Parks
Rich Adler, Chief, RDMD/HB&P/Lease Management
Mike Hentzen, Leasing Coordinator, RDMD/HB&P/Lease Management

Other recipients of this report (continued):

Steve Danley, Director, RDMD/Administration

Mary Fitzgerald, Manager, RDMD/Accounting Services

Betsy Estrada, Chief, RDMD/Accounting Services/External Claims/HB&P Programs

Vivienne Thornton, Administrative Manager I, RDMD/Accounting/Watershed, Flood,
Leases & Infrastructure

Brian Cich, Senior Accountant I, RDMD/Accounting/Leases & Infrastructure

Debra Lakin, Chief, RDMD/Central Quality Assurance

Foreperson, Grand Jury

Darlene J. Bloom, Clerk of the Board of Supervisors



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Ph.D., MBA, CPA, CIA, CFE, CITP

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400 CIVIC CENTER DRIVE WEST
BUILDING 12, ROOM 232
SANTA ANA, CALIFORNIA 92701

TELEPHONE: (714) 834-5475
FAX: (714) 834-2880

EMAIL: peter.hughes@ocgov.com
WEBSITE: www.ocgov.com/audit/

ELI LITTNER
CPA, CIA, CFE, CFS, CISA
DEPUTY DIRECTOR

ALAN MARCUM
CPA, CIA
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AUDIT MANAGER

AUTUMN MCKINNEY
CPA, CIA, CGFM
AUDIT MANAGER

INTERNAL AUDITOR'S REPORT
FINAL CLOSE-OUT

Audit No. 2654-A

August 25, 2006

Bryan Speegle, Director
Resources & Development Management Department
300 N. Flower Street
Santa Ana, CA 92703

We have completed a second Follow-Up Audit of the Limited Lease Review of Bayshore Marina (Bayshore). Our Follow-Up Audit was limited to reviewing actions taken as of August 18, 2006 to implement the one remaining recommendation made in our initial Follow-Up Audit report dated July 31, 2006.

The original audit report issued on October 20, 2004 contained seven (7) recommendations. Our initial Follow-Up Audit found that one (1) recommendation was not fully implemented. In our second Follow-Up Audit, we found satisfactory corrective action has been taken for the remaining one (1) recommendation. As such, **this report represents the final close-out of the original audit.**

Sincerely,

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

Distribution Pursuant to Audit Oversight Committee Procedure No. 1:

- Members, Board of Supervisors
- Members, Audit Oversight Committee
- Thomas G. Mauk, County Executive Officer
- David L. Rudat, Interim Deputy CEO/Infrastructure & Environmental Services
- Kevin Thomas, Director, RDMD/Harbors, Beaches & Parks
- Rich Adler, Chief, RDMD/HB&P/Lease Management
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- Vivienne Thornton, Administrative Manager I, RDMD/Accounting/Watershed, Flood, Leases & Infrastructure

Distribution Pursuant to Audit Oversight Committee Procedure No. 1 (continued):

Brian Cich, Senior Accountant I, RDMD/Accounting/Leases & Infrastructure

Debra Lakin, Chief, RDMD/Central Quality Assurance

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