



INTERNAL AUDIT DEPARTMENT
COUNTY OF ORANGE

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FINAL CLOSE-OUT

**SECOND FOLLOW-UP AUDIT
LIMITED LEASE REVIEW
OF
CANYON RECREATIONAL
VEHICLE PARK**

(ORIGINAL AUDIT No. 2449)

**AS OF
AUGUST 31, 2006**

AUDIT NUMBER: 2654-B

REPORT DATE: SEPTEMBER 26, 2006

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Final Close-Out

**Second Follow-Up Audit
Limited Lease Review of Canyon Recreational Vehicle Park
Original Audit No. 2449**

**As of
August 31, 2006**

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Transmittal Letter

Audit No. 2654-B

September 26, 2006

TO: Bryan G. 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
Canyon Recreational Vehicle Park, Original Audit No. 2449

We have completed a second Follow-Up Audit of the Limited Lease Review of Canyon Recreational Vehicle Park. Our audit was limited to reviewing, as of August 31, 2006, actions taken to implement the remaining one recommendation noted in our initial Follow-Up Audit report dated August 22, 2006. The recommendation stemmed from our original audit report dated October 27, 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.

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
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Vivienne Thornton, Administrative Manager I, RDMD/Accounting/Watershed, Flood, Leases
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Debra Lakin, Chief, RDMD/Central Quality Assurance

Foreperson, Grand Jury

Darlene J. Bloom, Clerk of the Board of Supervisors



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INTERNAL AUDITOR'S REPORT
FINAL CLOSE-OUT

Audit No. 2654-B

September 26, 2006

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

We have completed the second Follow-Up Audit of the Limited Lease Review of Canyon Recreational Vehicle Park (Canyon RV). Our Follow-Up Audit was limited to reviewing actions taken as of August 31, 2006 to implement the one (1) remaining recommendation made in our initial Follow-Up Audit report dated August 22, 2006.

The original audit report issued on October 27, 2004 contained thirteen (13) 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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Bryan Speegle, Director
Resources and Development Management Department
September 26, 2006
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