

Internal Audit Department

O R A N G E C O U N T Y

FINAL CLOSE-OUT

FIRST FOLLOW-UP AUDIT:

INTERNAL CONTROL REVIEW OF AUDITOR-CONTROLLER – CLAIMS & DISBURSING’S EDUCATIONAL AND PROFESSIONAL REIMBURSEMENT PROCESS ORIGINAL AUDIT No. 2720-1

AS OF SEPTEMBER 4, 2008

Auditor-Controller Claims & Disbursing satisfactorily implemented corrective actions to address the eight recommendations from our original audit of the Educational and Professional Reimbursement Process, in which 3,285 requests totaling over \$1.4 million in reimbursements were processed during the period July 1, 2006 through June 30, 2007.

AUDIT NO: 2829-C

REPORT DATE: SEPTEMBER 10, 2008

Audit Director: [Peter Hughes, Ph.D., MBA, CPA](#)
Deputy Director: [Eli Littner, CPA, CIA](#)
Sr. Audit Manager: [Michael Goodwin, CPA, CIA](#)
Senior Auditor: [Lisette Free, CPA](#)



Internal Audit Department

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Dr. Peter Hughes Ph.D., MBA, CPA, CCEP, CITP, CIA, CFE
Office of The Director Certified Compliance & Ethics Professional (CCEP)
Certified Information Technology Professional (CITP)
Certified Internal Auditor (CIA)
Certified Fraud Examiner (CFE)
E-mail: peter.hughes@iad.ocgov.com

Eli Littner CPA, CIA, CFE, CFS, CISA
Deputy Director Certified Fraud Specialist (CFS)
Certified Information Systems Auditor (CISA)

Michael Goodwin CPA, CIA
Senior Audit Manager

Alan Marcum MBA, CPA, CIA, CFE
Senior Audit Manager

Autumn McKinney CPA, CIA, CISA, CGFM
Senior Audit Manager Certified Government Financial Manager (CGFM)

Hall of Finance & Records

12 Civic Center Plaza, Room 232
Santa Ana, CA 92701

Phone: (714) 834-5475

Fax: (714) 834-2880

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OC Fraud Hotline (714) 834-3608

Letter from Director Peter Hughes



Transmittal Letter



Audit No. 2829-C September 10, 2008

TO: David E. Sundstrom
Auditor-Controller

FROM: Dr. Peter Hughes, CPA, Director
Internal Audit Department

SUBJECT: **First and Final Close-Out** Follow-Up
Audit of Auditor-Controller – Claims &
Disbursing's Educational and
Professional Reimbursement Process,
Original Audit No. 2720-1,
Issued January 29, 2008

We have completed a First and Final Close-Out Follow-Up Audit of the Auditor-Controller – Claims & Disbursing's Educational and Professional Reimbursement Process. Our audit was limited to reviewing, as of September 4, 2008, actions taken to implement eight recommendations made in our original audit report in which Auditor-Controller Claims & Disbursing processed **3,285** educational and professional reimbursement requests totaling **\$1,420,893** during the audit period.

The results of our Follow-Up Audit are discussed in the **Internal Auditor's Report** following this transmittal letter. Because satisfactory corrective actions have been taken for the audit recommendations, **this report represents the close-out of the original audit.**

Each month I submit an **Audit Status Report** to the 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.

Attachment

Other recipients of this report listed on the Internal Auditor's Report on page 1.

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Auditor-Controller – Claims & Disbursing’s
Educational and Professional Reimbursement
Process, (Original Audit No. 2720-1)
Audit No 2829-C*

As of September 4, 2008

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INTERNAL AUDITOR'S REPORT

Audit No. 2829-C

September 10, 2008

TO: David E. Sundstrom
Auditor-Controller

FROM: Dr. Peter Hughes, CPA, Director
Internal Audit Department

A handwritten signature in blue ink that reads "Peter Hughes".

SUBJECT: **First and Final Close-Out** Follow-Up Audit of
Auditor-Controller – Claims & Disbursing's
Educational and Professional Reimbursement Process,
Original Audit 2720-1, Issued January 29, 2008

Scope of Review

We have completed a First and Final Close-Out Follow-Up Audit of the Auditor-Controller – Claims & Disbursing's Educational and Professional Reimbursement Process. Our audit was limited to reviewing actions taken as of September 4, 2008 to implement the eight recommendations made in our original audit report. The recommendations were to meet with Human Resources on policy issues for employee reimbursements; develop and implement policies and procedures for internal and departmental use; strengthen the reimbursement claim review process; and revise the Educational and Professional Reimbursement claim form.

Results

We are pleased to report that satisfactory corrective actions have taken place for all eight audit recommendations. As such, this report represents the final close-out of the original audit.

We appreciate the cooperation and assistance extended to us by Auditor-Controller – Claims & Disbursing during our Follow-Up Audit. If you have any questions, please contact me directly or Eli Littner, Deputy Director at 834-5899, or Michael Goodwin, Senior Audit Manager at 834-6066.

Distribution Pursuant to Audit Oversight Committee Procedure No. 1:

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Members, Audit Oversight Committee
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Jan Grimes, Director, A-C/Central Accounting Operations
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