



INTERNAL AUDIT DEPARTMENT



**Second & Final Follow-Up
Internal Control Audit:
Auditor-Controller
Overtime/Straight Overtime Calculations**

As of April 30, 2019

**Audit No. 1839-Q (Reference 1629-F2 & 1630-F2)
Report Date: June 18, 2019**

Recommendation Status



Implemented



In Process



Not Implemented



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



INTERNAL AUDIT DEPARTMENT

Audit No. 1839-Q


(Reference 1629-F2 & 1630-F2)

June 18, 2019

To: Eric H. Woolery, CPA
Auditor-Controller

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

Subject: Second & Final Close-Out Follow-Up Internal Control Audit:
Auditor-Controller Overtime/Straight Overtime Calculations



Two Internal Control Audits of Payroll were completed for the District Attorney-Public Administrator and Probation Department and issued on August 31, 2017 (Audit Nos. 1629 and 1630 respectively). One common finding in the reports pertains to overtime calculations in Virtual Timecard Interface (VTI), the Countywide timekeeping system administered by the Auditor-Controller (A-C).

First Follow-Up Audits were conducted and issued on May 22, 2018 (Audit Nos. 1735-L and 1735-M), wherein it was determined the associated recommendation for the finding was in process of being implemented.

In order to facilitate close-outs of Audit Nos. 1629 and 1630, this recommendation was separated from the original audits, and for the purposes of second follow-up, is now being reported as Audit No. 1839-Q.

We have completed a follow-up audit on this finding as of April 30, 2019. Details of our results immediately follow this letter. Additional information including background and our scope are included in Appendix A.

Our Second Follow-Up Audit concluded the one (1) remaining recommendation has been closed. Since the recommendation has been closed, this report represents the final close-out of the original audit.

We appreciate the assistance extended to us by Auditor-Controller personnel during our follow-up audit. If you have any questions, please contact me directly 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
- Auditor-Controller Distribution
- Foreperson, Grand Jury
- Robin Stieler, Clerk of the Board of Supervisors
- Vavrinek, Trine, Day & Co., LLP, County External Auditor

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RESULTS

FINDING NO. 1	Manual Computation of Overtime and Straight Overtime
CATEGORY	Control Finding
RECOMMENDATION	We recommend the Auditor-Controller work to implement the VTI modification that allows for automated OT and SOT calculations.
CURRENT STATUS	<p>Closed. In order to allow for automated OT and SOT calculations, A-C IT informed us they are assessing an alternative timekeeping system. There are no estimated dates for when the assessment will be completed. A-C requested budget funding to replace its timekeeping system, but funding was not recommended for FY 2019-20. A-C will continue to pursue a replacement system as funding becomes available.</p> <p>Based on the actions taken by A-C, we consider this recommendation closed.</p>

AUDIT TEAM	Scott Suzuki, CPA, CIA, CISA Michael Dean, CPA, CIA, CISA Zan Zaman, CPA, CIA Stephany Pantigoso	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 the A-C as of April 30, 2019 to implement the one (1) recommendation from our First Follow-Up Audit Nos. 1735-L and 1735-M, dated May 22, 2018.
BACKGROUND	The original audits evaluated operational effectiveness of internal control at the District Attorney-Public Guardian and Probation Department for their payroll processes in accordance with department procedures. The original audits identified four (4) Control Findings each, one of which applies to the A-C and is reported on here.



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APPENDIX B: FOLLOW-UP AUDIT IMPLEMENTATION STATUS

Implemented	In Process	Not Implemented	Closed
<p>The department has implemented our recommendation in all respects as verified by the follow-up audit. No further follow-up is required.</p>	<p>The department is in the process of implementing our recommendation. Additional follow-up may be required.</p>	<p>The department has taken no action to implement our recommendation. Additional follow-up may be required.</p>	<p>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.</p>

