



# Internal Audit Department

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

## AUDIT HIGHLIGHT JANUARY 30, 2012

### RESULTS OF CONTINUOUS AUDITING USING CAATS: Auditor-Controller, Human Resources, & County Procurement Office Duplicate Vendor Payments and Other Routines Audit No. 1139-G

#### WHAT WE FOUND?

Duplicate Vendor Payments: Our review of \$311 million vendor disbursements processed during December 2011 found that **99.99% of invoices were paid only once**. Of the 18,511 invoices processed during December 2011, we identified **two (2)** potential duplicate payments made to vendors totaling **\$1,200** or .0004% of the \$311 million.

Employee-Vendor: For the quarter-end 12/31/11, **two (2) potential employee-vendor conflicts** were identified in the employee-vendor matches we reviewed. These two matches have been submitted to Human Resources Department (HRD) for further evaluation. Our next analysis will be performed at March 31, 2012.

Working Retirees: As of 12/29/11, **no OC working retirees exceeded the annual limits** of 960 or 720 hours mandated by Government Code Sections 31680.6 & 31641.04.

Payroll Direct Deposit: **No findings** resulted from the payroll direct deposit CAAT routine this month.

In Home Supportive Services: As reported in our August 2011 CAAT report (1139-B), we identified 33 instances of IHSS providers who are sharing the same address with three or more providers. SSA reviewed those instances where there are four and five providers with the same address and determined there were "no improprieties." As SSA's review is completed, this closes out our work on this analysis.

#### WHY IS THIS ANALYSIS IMPORTANT?

Vendor Payments: For FY 10-11, established vendor payments were about **\$2.4 billion** (this amount is a subset of the total payments and does not include miscellaneous vendor payments; see report for details). To date, we have identified **\$982,770** in duplicate payments made to vendors of which the County has collected **\$967,863** or **99%**.

Working Retirees: As of 12/29/11, OC working retiree/extra-help data is:

Department	No. of Working Retirees	Total FY Hours To Date
Sheriff-Coroner	63	25,224
District Attorney	13	5,239
Health Care Agency	11	4,555
Assessor	8	2,372
OC Public Works	2	1,105
County Counsel	1	540
Treasurer-Tax Collector	1	341
Human Resources	1	112
Total	100	39,488

Payroll Direct Deposit: For FY 10-11, direct deposits for regular payroll were about \$1.3 billion.

In Home Supportive Services: Evaluate IHSS providers (15,850 at 5/31/11) to identify multiple IHSS providers sharing the same address and review for any inappropriate activity.

**CAATS - Cited as a Best Practice by the Institute of Internal Auditors**