



# Orange County Auditor-Controller Internal Audit



First and Final Close-Out Follow-Up  
Countywide Audit of Fiduciary Funds:  
District Attorney-Public Administrator

As of September 1, 2017

Audit Number 1735-D (Reference 1519-F1)  
Report Date: September 20, 2017



O R A N G E C O U N T Y  
**AUDITOR-CONTROLLER**  
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**Eric H. Woolery, CPA**  
**Orange County Auditor-Controller**

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**ERIC H. WOOLERY, CPA**  
AUDITOR-CONTROLLER



**Transmittal Letter**

**Audit No. 1735-D**  
**(Reference 1519-F1)**

**September 20, 2017**

**TO:** Tony Rackauckas  
District Attorney-Public Administrator

**SUBJECT:** First and Final Close-Out Follow-Up Countywide Audit of Fiduciary Funds:  
District Attorney-Public Administrator  
Original Audit 1519, Issued May 19, 2017

We have completed our First and Final Close-Out Follow-Up Countywide Audit of Fiduciary Funds: District Attorney-Public Administrator (OCDA) as of September 1, 2017. Our final report is attached for your review.

I submit an **Audit Status Report** quarterly to the Audit Oversight Committee (AOC) and a quarterly report to the Board of Supervisors (BOS) where I detail any critical and significant audit findings released in reports during the prior quarter and the implementation status of audit recommendations as disclosed by our Follow-Up Audits. Accordingly, the results of this Follow-Up Audit will be included in future status reports to the AOC and BOS.

Toni Smart, CPA, Director  
Auditor-Controller Internal Audit Division

**Attachments**

Other recipients of this report:

Members, Board of Supervisors  
Members, Audit Oversight Committee  
Eric H. Woolery, Auditor-Controller  
Frank Kim, County Executive Officer  
Michael Lubinski, Senior Assistant District Attorney, OCDA  
Elizabeth Henderson, Senior Deputy District Attorney, OCDA  
Jenny Qian, Director of Administrative Services, OCDA  
Ana Roach, Revenue & Compliance Unit Manager, OCDA  
Michele Gorey, Fiscal Services Manager, OCDA  
Foreperson, Grand Jury  
Robin Stieler, Clerk of the Board of Supervisors  
Macias Gini & O'Connell LLP, County External Auditor



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District Attorney-Public Administrator  
Audit No. 1735-D (Reference 1519-F1)*

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# Internal Auditor's Report

**Audit No. 1735-D  
(Reference 1519-F1)**

**September 20, 2017**

TO: Tony Rackauckas  
District Attorney-Public Administrator

FROM: Toni Smart, CPA, Director  
Auditor-Controller Internal Audit Division

SUBJECT: First and Final Close-Out Follow-Up Countywide Audit of Fiduciary Funds:  
District Attorney-Public Administrator, Original Audit 1519

## SCOPE

We have completed a First and Final Close Out Follow-Up Countywide Audit of Fiduciary Funds: District Attorney-Public Administrator (OCDA). Our audit was limited to reviewing actions taken as of September 1, 2017, to implement the **two (2) recommendations** from our original audit issued on May 19, 2017.

## BACKGROUND

As part of the Countywide Audit of Fiduciary Funds, we completed an Internal Control Audit over fiduciary funds administered by OCDA to ensure funds were properly administered and maintained in compliance with County policy, procedures, and fund requirements for the year ended June 30, 2015. OCDA had three fiduciary funds: 164, 363, and 2AH. The original audit identified **two (2) Control Findings**.

## RESULTS

Our First Follow-Up Audit found that OCDA **implemented the two (2) recommendations** from the original audit. Because the recommendations were implemented, **this report represents the final close-out of the original audit.**

Based on our First Follow-Up Audit, the following is the implementation status of the two (2) original recommendations:

### **Finding No. 1 – Fiduciary Sub-Funds with No Activity Should Be Evaluated (Control Finding)**

**Recommendation No. 1:** We recommend that District Attorney-Public Administrator review inactive department balance sheet accounts (DBSAs) in Fund 2AH and close them if no longer needed for their current operations.

**Current Status: Implemented.** We found that OCDA has reviewed and closed the inactive DBSA accounts in Fund 2AH. Because of the actions taken by OCDA, we consider this recommendation implemented.



# Internal Auditor's Report

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## Finding No. 2 – Fiduciary Fund Documents Should Be Updated (Control Finding)

**Recommendation No. 2:** We recommend that District Attorney-Public Administrator work with the Auditor-Controller to create updated COFAs for Funds 2AH and 363.

**Current Status: Implemented.** We found that OCDA updated the COFA (Chart of Accounts) for Funds 2AH and 363 that included all the required elements of CAM F-3. Because of the actions taken by OCDA, we consider this recommendation implemented.

We appreciate the assistance extended to us by District Attorney-Public Administrator personnel during our Follow-Up Audit. If you have any questions, please contact me directly at (714) 834-5442 or Scott Suzuki, Assistant Director, at (714) 834-5509.