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

As of September 1, 2017
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Orange County Auditor-Controller

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Auditor-Controller Website
www.ac.ocgov.com
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
# Transmittal Letter

Transmittal Letter

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As of September 1, 2017
Internal Auditor’s Report

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

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.
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.