Report on Review of the Schedule of Assets Held by the County Treasury as of December 31, 2015
Eric H. Woolery, CPA

Orange County Auditor-Controller

Toni Smart, CPA  Director, Internal Audit
Scott Suzuki, CPA, CIA, CISA  Assistant Director
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Michael Steinhaus, CPA  Audit Manager I
Scott Kim, CPA  Senior Auditor

12 Civic Center Plaza, Room 200
Santa Ana, CA 92701

Auditor-Controller Web Site
www.ac.ocgov.com
Transmittal Letter

July 19, 2016

TO: Members, Board of Supervisors
   Chairwoman Lisa A. Bartlett, 5th District Supervisor
   Vice Chair Michelle Steel, 2nd District Supervisor
   Supervisor Andrew Do, 1st District
   Supervisor Todd Spitzer, 3rd District
   Supervisor Shawn Nelson, 4th District

SUBJECT: Report on Review of the Schedule of Assets Held
By the County Treasury As of December 31, 2015

We have completed our Report on Review of the Schedule of Assets Held by the County Treasury as of December 31, 2015. Our final report is attached for your review.

I submit an Audit Status Report quarterly to the Audit Oversight Committee (AOC) and a monthly report to the Board of Supervisors (BOS) where I detail any critical 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. Although there were no findings noted during this review, the results will be included in future status reports to the AOC and BOS.

Additionally, we will request your department to complete a Customer Survey of Review Services. You will receive the survey shortly after the distribution of our final report.

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

Attachments

Other recipients of this report:
   Members, Audit Oversight Committee
   Members, Treasury Oversight Committee
   Eric H. Woolery, Auditor-Controller
   Shari L. Freidenrich, Treasurer-Tax Collector
   Frank Kim, County Executive Officer
   Michelle Aguirre, Chief Financial Officer
   Paul C. Gorman, Chief Assistant Treasurer-Tax Collector – Treasury
   Claire Moynihan, Director, Central Accounting Operations, Auditor-Controller
   Foreperson, Grand Jury
   Robin Stieler, Clerk of the Board of Supervisors
   Macias Gini & O’Connell LLP, County External Auditor
July 19, 2016

Independent Accountant’s Review Report

We have reviewed the accompanying Schedule of Assets Held by the County Treasury—Modified Cash-Basis (financial schedule) of the County of Orange, California, as of December 31, 2015, pursuant to Government Code Section 26920(a)(1) and (3). A review includes primarily applying analytical procedures to management's financial data and making inquiries of department management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial schedule as a whole. Accordingly, we do not express such an opinion.

Management’s Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of this financial schedule in accordance with the modified cash-basis of accounting; this includes determining that the basis of accounting the Treasurer-Tax Collector uses for financial reporting is an acceptable basis for the preparation of financial schedules in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant’s Responsibility
Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial schedule for it to be in accordance with the basis of accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant’s Conclusion
Based on our review, we are not aware of any material modifications that should be made to the accompanying financial schedule in order for it to be in accordance with the modified cash-basis of accounting.

Basis of Accounting
The financial schedule is prepared on the modified cash-basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

This report is intended for the information of the Board of Supervisors and the management of the Orange County Auditor-Controller. However, this report is a matter of public record and its distribution is not limited.

Toni Smart, CPA, Director
Auditor-Controller Internal Audit Division
### SCHEDULE OF ASSETS HELD BY THE COUNTY TREASURY

**AS OF DECEMBER 31, 2015**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>County Pool</th>
<th>Educational Pool</th>
<th>Non-Pooled</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CASH</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash On Hand</td>
<td>$37,389</td>
<td>-</td>
<td>$</td>
<td>$37,389</td>
</tr>
<tr>
<td>Bank Demand Accounts</td>
<td>2,856,273</td>
<td>40,000</td>
<td>-</td>
<td>2,896,273</td>
</tr>
<tr>
<td>Total Cash</td>
<td>$2,893,662</td>
<td>$40,000</td>
<td>-</td>
<td>$2,933,662</td>
</tr>
<tr>
<td><strong>INVESTMENTS</strong>, stated at fair value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>Orange County Investment Pool (OCIP):</em></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Orange County Money Market Fund</td>
<td>1,720,712,911</td>
<td>-</td>
<td>-</td>
<td>1,720,712,911</td>
</tr>
<tr>
<td>Extended Fund</td>
<td>2,512,209,051</td>
<td>-</td>
<td>-</td>
<td>2,512,209,051</td>
</tr>
<tr>
<td><em>Orange County Educational Investment Pool (OCIEP):</em></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Orange County Educational Money Market Fund</td>
<td>1,925,021,216</td>
<td>-</td>
<td>-</td>
<td>1,925,021,216</td>
</tr>
<tr>
<td>Extended Fund</td>
<td>2,523,807,840</td>
<td>-</td>
<td>-</td>
<td>2,523,807,840</td>
</tr>
<tr>
<td>Non-Pooled</td>
<td></td>
<td></td>
<td>300,074,435</td>
<td>300,074,435</td>
</tr>
<tr>
<td>Total Investments</td>
<td>$4,232,921,962</td>
<td>$4,448,829,056</td>
<td>$300,074,435</td>
<td>$8,981,825,453</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$4,235,815,624</td>
<td>$4,448,869,056</td>
<td>$300,074,435</td>
<td>$8,984,759,115</td>
</tr>
</tbody>
</table>

*Mission: Ensure safe and timely receipt, deposit, collection and investment of public funds.*