



# Internal Audit Department

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

## AUDIT HIGHLIGHT

## OCTOBER 25, 2012

### RESULTS OF CONTINUOUS AUDITING USING CAATS: Auditor-Controller, Human Resources, & County Procurement Office Duplicate Vendor Payments and Other Routines Audit No. 1238-D

#### WHAT WE FOUND?

Duplicate Vendor Payments: Our review of \$151 million vendor disbursements processed during September 2012 found that 99.99% of invoices were paid only once. Of the 13,489 invoices processed during September 2012, we identified two (2) potential duplicate payments made to vendors totaling \$22,962 or .015% of the \$151 million.

Employee-Vendor: For the quarter-ended September 30, 2012, two (2) potential employee-vendor conflicts were identified in the employee-vendor matches we reviewed. These two matches have been submitted to the Human Resources Department (HRD) for further evaluation.

Working Retirees: As of October 4, 2012, no OC working retirees exceeded the annual fiscal year 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.

#### WHY IS THIS ANALYSIS IMPORTANT?

Duplicate Vendor Payments: For FY 11-12, established vendor payments were about \$2.7 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 \$1,015,400 in duplicate payments made to vendors of which the County has collected \$995,084 or 98%.

Working Retirees: As of October 4, 2012, OC working retiree/extra-help data for FY 12-13:

Department	No. of Working Retirees	FY 12-13 Hours
Sheriff-Coroner	86	18,465
District Attorney	26	8,869
Probation	9	2,566
Health Care Agency	8	1,535
Assessor	8	1,049
OC Public Works	4	809
Child Support Services	1	463
Treasurer-Tax Collector	1	265
Auditor-Controller	1	255
Social Services Agency	2	187
CEO Data Center	1	145
Clerk of the Board	1	56
County Counsel	1	7
Total	149	34,671

Payroll Direct Deposit: For FY 11-12, direct deposits for regular payroll were about \$1.3 billion.

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