



I n t e r n a l A u d i t D e p a r t m e n t

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

AUDIT HIGHLIGHT FEBRUARY 18, 2014

INTERNAL CONTROL & COMPLIANCE AUDIT PROBATION DEPARTMENT PUBLIC SAFETY REALIGNMENT (AB 109) Audit No. 1323

WHAT WE DID

At the request of the Probation Department, we audited internal controls and compliance over accounting and budgeting processes for tracking and claiming AB 109 expenditures, and for ensuring compliance with the legislative intent and government codes associated with the Public Safety Realignment Act. We evaluated accounting and budget practices by auditing the quarterly expenditure claim for June 30, 2013 totaling **\$4.3 million**.

WHY THIS AUDIT IS IMPORTANT

The Public Safety Realignment Act (Assembly Bill 109) was signed into law in 2011. The legislation transfers responsibility for supervising lower level inmates and parolees from the California Department of Corrections and Rehabilitation to counties. Each county receives a funding allotment based on a statewide formula for supervising the additional lower level inmates and parolees. In fiscal year 2012-2013, the Probation Department **claimed expenditures totaling \$10.6 million** for fulfilling Public Safety Realignment responsibilities.

WHAT THE AUDITORS FOUND

Our audit found internal controls over Probation's accounting and budget processes are in place and provide reasonable assurance that the process for tracking and claiming costs is compliant with the Public Safety Realignment Act. Probation's Postrelease Community Supervision Division is responsible for ensuring compliance with the legislative intent and government codes associated the Public Safety Realignment Act.

Audit Findings and Control Recommendations

Our audit identified **one (1) Significant Control Weakness** and **four (4) Control Findings** to enhance Probation's accounting and budget practices for claiming Public Safety Realignment expenditures that included establishing internal written policies and procedures for quarterly claims, improving the accuracy and completeness of data entry, correctly calculating County paid retirement benefits, obtaining complete service data from local law enforcement agencies for reimbursed expenses, and the timely review of data from local law enforcement agencies by Probation's Postrelease Community Supervision Division.