PETER HUGHES, Ph.D., CPA, CIA, CFE, CITP
Director

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(714) 834-5475 Fax: (714) 834-2880

INTERNAL AUDIT DEPARTMENT

File No. 2311

December 30, 2003

TO: Lisa Bohan-Johnston, Director
District Attorney Administrative Services

SUBJECT: Report on Audit of the Spousal Abuser Prosecution Program

Attached are three copies of our report on Audit of the District Attorney Spousal Abuser Prosecution Program for the year ended June 30, 2003. Please forward one copy to the State of California Department of Justice as required by the grant documents.

Respectfully submitted,

Dr. Peter Hughes, CPA
Director, Internal Audit

/PH:ts

Attachments

cc: Members, Board of Supervisors
Members, Audit Oversight Committee
James D. Ruth, County Executive Officer
Darlene J. Bloom, Clerk of the Board of Supervisors
Foreman, Grand Jury

COUNTY OF ORANGE
DISTRICT ATTORNEY
SPOUSAL ABUSER PROSECUTION PROGRAM
(GRANT AWARD NO. 02SA09B017)

REPORT ON AUDIT
FOR THE YEAR ENDED JUNE 30, 2003

REPORT DATE: December 24, 2003

Audit Number 2311

Audit Director: Dr. Peter Hughes, CPA
Deputy Director: Eli Littner, CPA
Audit Manager: Alan Marcum, CPA
Auditor In-Charge: Toni Smart, CPA

COUNTY OF ORANGE
INTERNAL AUDIT DEPARTMENT

COUNTY OF ORANGE

DISTRICT ATTORNEY

SPOUSAL ABUSER PROSECUTION PROGRAM

REPORT ON AUDIT

FOR THE PERIOD JULY 1, 2002 THROUGH JUNE 30, 2003

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PETER HUGHES, Ph.D., CPA, CIA, CFE, CITP
Director
Internal Audit Department
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File No. 2311

INDEPENDENT AUDITOR'S REPORT

December 24, 2003

California Department of Justice
P.O. Box 944255
1300 I Street, Room 1020-4
Sacramento, California 94244-2550

Attention: Rebecca Daniel, Coordinator

We have audited the accompanying Schedule of Approved Budget and Cumulative Expenditures and the Schedule of Costs Claimed and Accepted (financial statements) of the Spousal Abuser Prosecution Program of the County of Orange District Attorney, a grant funded by the California Department of Justice, for the period July 1, 2002 through June 30, 2003. The financial statements are the responsibility of the District Attorney Spousal Abuser Prosecution Program's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

On this date, and in accordance with Government Auditing Standards, we have also issued a report on our consideration of internal control structure related matters and compliance with laws and regulations based on an audit of the financial statement of the Spousal Abuser Prosecution Program. The internal control and compliance reports are an integral part of this audit and should be considered with the results of our report on the financial statement.

In our opinion the Schedule of Approved Budget and Cumulative Expenditures and the Schedule of Costs Claimed and Accepted referred to in the first paragraph present fairly, in all material respects, the approved budget, cumulative expenditures, and allowable costs of the Spousal Abuser Prosecution Program of the County of Orange District Attorney for the period July 1, 2002 through June 30, 2003, in accordance with accounting principles generally accepted in the United States of America.

This report is intended for the information of the management of the County of Orange District Attorney and the California Department of Justice and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Sincerely,

Dr. Peter Hughes, CPA
Director, Internal Audit Department

/PH:ts

COUNTY OF ORANGE
DISTRICT ATTORNEY
SPOUSAL ABUSER PROSECUTION PROGRAM
SCHEDULE OF APPROVED BUDGET AND CUMULATIVE EXPENDITURES
FOR THE PERIOD OF JULY 1, 2002 THROUGH JUNE 30, 2003

	Approved Budget		Cumulative Expenditures Claimed		Over (Under) Budget	
	State	In-Kind Match	State	In-Kind Match	State	In-Kind Match
Expenditures:						
Personal Services	$ 94,480	$ 18,896	$ 94,480	$ 18,896	$ -	$ -
Operating Expenditures	553	111	553	111	-	-
Totals	$ 95,033	$ 19,007	$ 95,033	$ 19,007	$ -	$ -

See Independent Auditor's Report and notes to financial statements.

COUNTY OF ORANGE
DISTRICT ATTORNEY
SPOUSAL ABUSER PROSECUTION PROGRAM
SCHEDULE OF COSTS CLAIMED AND ACCEPTED
FOR THE PERIOD OF JULY 1, 2002 THROUGH JUNE 30, 2003

	Costs Claimed	Costs Accepted	Costs Questioned	Costs Recommended For Disallowance
Personal Services	$ 94,480	$ 94,480	$ -	$ -
Operating Expenditures	553	553	-	-
Totals	$ 95,033	$ 95,033	$ -	$ -

See Independent Auditor's Report and notes to financial statements.

COUNTY OF ORANGE
DISTRICT ATTORNEY
SPOUSAL ABUSER PROSECUTION PROGRAM
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD JULY 1, 2002 THROUGH JUNE 30, 2003

1. Background

   The Spousal Abuser Prosecution Program, under the direction of the County of Orange District Attorney, was developed in 1994 to enhance the abilities of local prosecutors to prosecute spousal abuse cases and to minimize the emotional trauma for victims during legal proceedings. These objectives are achieved through vertical prosecution of abuse cases, reduced caseloads, assignment of highly qualified investigators and prosecutors, utilization of trained counselors, and coordination with local victim support agencies.

2. Significant Accounting Policies

   The District Attorney records its revenues and expenditures on the modified accrual basis. Revenues are recognized in the period they become measurable and available and expenditures are recognized when incurred. However, because of the timing of transactions in this period the effect is essentially the same as a full accrual presentation.

   A. Reporting Entity. The financial statements are intended to present the results of operations of only those transactions attributable to the Program.

   B. Personal Services. These expenditures include salaries and benefits of attorneys and attorney clerks directly involved with the Program.

   C. Operating Expenditures. These expenditures include mileage reimbursement to employees assigned to work on the Program plus audit costs.

   D. Costs Claimed and Accepted. These amounts represent the program costs claimed by the County of Orange District Attorney and accepted by the State.

3. Funding Summary

   Grant funding was provided by the California Department of Justice. The grant award covered the period July 1, 2002 through June 30, 2003, and totaled $95,033. Cred?

   As required by Penal Code section 273.81(d), the County of Orange District Attorney provided a 20% in-kind match, funded by the County General Fund. All monies awarded were expended during the grant. Allowable expenditures were limited to those identified in the grant proposal. A new grant for the period July 1, 2003 through June 30, 2004 was approved on November 13, 2003 by the California Department of Justice.

See Independent Auditor's Report

OTHER REPORTS

PETER HUGHES, Ph.D., CPA, CIA, CFE, CITP
Director
Internal Audit Department
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December 24, 2003

INDEPENDENT AUDITOR'S REPORT ON THE
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN
AUDIT OF THE FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

California Department of Justice
P.O. Box 944255
1300 I Street, Room 1020-4
Sacramento, California 94244-2550

Attention: Rebecca Daniel, Coordinator

We have audited the Schedule of Approved Budget and Cumulative Expenditures and the Schedule of Costs Claimed and Accepted (financial statements) of the Spousal Abuser Prosecution Program of the County of Orange District Attorney, a grant funded by the California Department of Justice, for the period July 1, 2002 through June 30, 2003, and have issued our report thereon dated December 24, 2003.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audit of the financial statements for the period July 1, 2002 through June 30, 2003, we considered the organization's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the above financial statements and not to provide assurance on internal controls over financial reporting.

The management of the Spousal Abuser Prosecution Program is responsible for establishing and maintaining internal controls. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal controls are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized

use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America. Because of inherent limitations in any internal control process, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the internal controls to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purposes of this report, we have classified the significant internal control policies and procedures in the following categories:

Payroll
Expenditures
Revenues/Receipts
Administrative Controls

For all internal control categories listed above, we obtained an understanding of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses under standards established by the American Institute of Certified Public Accountants.

A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses as defined above.

This report is intended for the information of the management of the County of Orange District Attorney and the California Department of Justice and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Dr. Peter Hughes, CPA
Director, Internal Audit

/PH:ts

PETER HUGHES, Ph.D., CPA, CIA, CFE, CITP
Director
Internal Audit Department
400 Civic Center Drive West
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Santa Ana, California 92701-4521
(714) 834-5475 Fax: (714) 834-2880

December 24, 2003

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH LAWS AND REGULATIONS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

California Department of Justice
P.O. Box 944255
1300 I Street, Room 1020-4
Sacramento, California 94244-2550

Attention: Rebecca Daniel, Coordinator

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We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Spousal Abuser Prosecution Program is the responsibility of the Program's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Program's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, program management complied in all material respects, except for the following, with the provisions referred to in the preceding paragraph. With respect to the items not tested, nothing came to our attention that caused us to believe that program management had not complied, in all material respects, with those provisions.

Reporting of "Grant Personnel" on Quarterly Progress Reports

The California Department of Justice Spousal Abuser Prosecution (SAP) Program Guidelines Section 1010, requires the reporting of all prosecutors, investigators, and counselors working on the SAP Program, receiving SAP Program or other funding, must be listed on the quarterly Progress Reports. The reporting of grant personnel on the quarterly Progress Reports is a new reporting requirement included in the SAP Program Guidelines.

Our review of the four quarterly Progress Reports submitted for the period July 1, 2002 through June 30, 2003, noted that several personnel working on the SAP Program, funded by other sources, were not listed in the Grant Personnel section of the report.

Recommendation

We recommend that District Attorney management ensure that the quarterly Progress Reports include all grant personnel working on the SAP Program as required by SAP Program Guidelines.

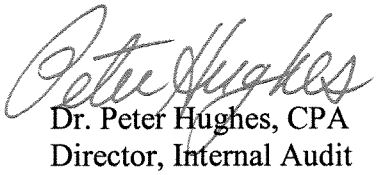
District Attorney Management Response

We concur. The reporting of the in-kind match personnel was inadvertently excluded from the quarterly Progress Reports submitted to State Department of Justice (DOJ).

The Office subsequently contacted State DOJ inquiring if a revision to the original reports has been necessary and was advised that revised Progress Reports are not needed due to this immaterial omission since the program activity numbers remain unchanged.

This report is intended for the information of the management of the County of Orange District Attorney and the California Department of Justice and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Sincerely,



Dr. Peter Hughes, CPA
Director, Internal Audit

/PH:ts

OFFICE OF THE
DISTRICT ATTORNEY
ORANGE COUNTY, CALIFORNIA
TONY RACKAUCKAS, DISTRICT ATTORNEY

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CHIEF ASSISTANT D.A.

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WILLIAM FECCIA
SENIOR ASSISTANT D.A.
FELONY OPERATIONS 2

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SENIOR ASSISTANT D.A
BRANCH COURT OPERATIONS

DONALD BLANKENSHIP
CHIEF
BUREAU OF INVESTIGATION

LISA BOHAN - JOHNSTON
DIRECTOR
ADMINISTRATIVE SERVICES

December 29, 2003

TO: Dr. Peter Hughes, CPA
Director, Internal Audit

SUBJECT: Spousal Abuser Prosecution Grant Audit for Fiscal Year ending 6/30/03

This letter is written in response to the audit finding pertaining to the above program for Fiscal Year ending June 30, 2003.

Reporting of "Grant Personnel" on Quarterly Progress Reports

The California Department of Justice Spousal Abuser Prosecution (SAP) Program Guidelines Section 1010, requires the reporting of all prosecutors, investigators, and counselors working on the SAP Program, receiving SAP Program or other funding, must be listed on the quarterly Progress Reports. The reporting of grant personnel on the quarterly Progress Reports is a new reporting requirement included in the SAP Program Guidelines.

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District Attorney Management Response

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REPLY TO: ORANGE COUNTY DISTRICT ATTORNEY'S OFFICE
http://www.oc.ca.gov/da/

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700
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(714)

The Office subsequently contacted State DOJ inquiring if a revision to the original reports has been necessary and was advised that revised Progress Reports are not needed due to this immaterial omission since the program activity numbers remain unchanged.

If you have any questions, please do not hesitate to contact me at (714) 347-8550. We appreciate your staff's professionalism and courtesy extended during the audit fieldwork. Thank you.

Sincerely,

Jo Escobar

Jo Escobar
Assistant District Attorney
Family Violence Unit

cc: Bryan Brown, Senior Assistant District Attorney, DA
Lisa Bohan-Johnston, Director, Administrative Services, DA
Kim Dinh, Manager, Financial Services, DA