



**COUNTY OF ORANGE  
INTERNAL AUDIT DEPARTMENT**

**OFFICE OF THE DIRECTOR**

*Integrity  
Objectivity  
Independence*

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Audit No. 2148

August 16, 2004

TO: Bryan G. Speegle, Director  
Resources & Development Management Department

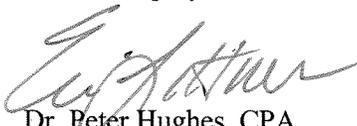
SUBJECT: Limited Review of Lease Revenue for Lake Forest Golf & Practice Center  
J01B01 – El Toro Retarding Basin

We have performed a limited review of certain records and documents for the period ended April 30, 2001, pertinent to the lease agreement (Agreement) between the County of Orange and American Golf Corporation (American Golf), dated January 31, 1990, as amended. The Agreement is for operation of the Lake Forest Golf and Practice Center.

The primary purpose of our review was to determine whether American Golf's records adequately supported gross receipts reported to the County. We also reviewed compliance with certain other provisions of the Agreement, such as allowed uses and payment procedures.

Based on our review, we find that American Golf has sufficient records to adequately support monthly gross receipts reported to the County. We did note certain less significant compliance issues that were communicated to your staff in an exit meeting.

We appreciate the courtesy and cooperation extended to us by the personnel at American Golf, RDMD/Real Estate Services, and RDMD/Accounting. If you have any questions regarding our review, please call me, Eli Littner, Deputy Audit Director, at (714) 834-5899, or Autumn McKinney, Audit Manager, at (714) 834-6106.

*for*  
  
Dr. Peter Hughes, CPA  
Director of Internal Audit

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