



INTERNAL AUDIT DEPARTMENT
COUNTY OF ORANGE

*Integrity
Objectivity
Independence*

**FOLLOW-UP AUDIT
OF LIMITED REVIEW OF THE COUNTY
UNEMPLOYMENT INSURANCE COMPENSATION
RESERVE FUND #291,
ORIGINAL AUDIT No. 2343B**

AS OF MARCH 31, 2005

AUDIT NUMBER: 2550

REPORT DATE: AUGUST 11, 2005

Audit Director: Peter Hughes, Ph.D., CPA
Deputy Director: Eli Littner, CPA, CIA
Audit Manager: Alan Marcum, CPA, CIA
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**Follow-Up Audit of Limited Review of the
County Unemployment Insurance Compensation Reserve Fund #291,
Original Audit No. 2343B**

As of March 31, 2005

TABLE OF CONTENTS

Transmittal Letter.....	i
INTERNAL AUDITOR'S REPORT.....	1



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INTERNAL AUDIT DEPARTMENT

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Transmittal Letter

Audit No. 2550

August 11, 2005

TO: Thomas G. Mauk, County Executive Officer

FROM: Peter Hughes, Ph.D., CPA, Director
Internal Audit Department

SUBJECT: Follow-Up Audit of Limited Review of the County's Unemployment Insurance Compensation Reserve Fund No. 291, Original Audit Report No. 2343B, Issued May 28, 2003

We have completed a Follow-Up audit of our limited review of the County's Unemployment Insurance Compensation Reserve Fund No. 291. Our audit was limited to reviewing, as of March 31, 2005, actions taken to implement the recommendations made in our original audit report dated May 28, 2003. The results of our Follow-Up audit are discussed in the **Internal Auditor's Report** following this transmittal letter.

As the Director of the Internal Audit Department, effective December 14, 2004, I now make a monthly audit status presentation to the Board of Supervisors (BOS) where I detail any material and significant audit findings released in reports during the prior month, the implementation status of audit recommendations as disclosed by our Follow-Up audits, any pressing audit or resource issues; as well as, respond to inquiries from the BOS. Therefore, the results of this Follow-Up audit will be included in a future summary to the Board.

Other recipients of this report:

Members, Board of Supervisors

Members, Audit Oversight Committee

Rob Richardson, Assistant to the CEO, County Executive Office

Dianna Garcia, Director of Human Resources and Employee Relations

Foreman, Grand Jury

Darlene J. Bloom, Clerk of the Board of Supervisors



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INTERNAL AUDITOR'S REPORT

Audit No. 2550

August 11, 2005

TO: Thomas G. Mauk, County Executive Officer

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We have completed a Follow-Up audit of our limited review of the County's Unemployment Insurance Compensation Reserve Fund No. 291. Our audit was limited to reviewing actions taken as of March 31, 2005 to implement the recommendations made in our original audit report dated May 28, 2003.

The original audit report contained four (4) recommendations. We are pleased to report that all four recommendations have been fully implemented.

We appreciate the cooperation and assistance extended to us by your staff during our Follow-Up audit.

Sincerely,

Peter Hughes, Ph.D., CPA
Director, Internal Audit

Distribution Pursuant to Audit Oversight Committee Procedure No. 1

- Members, Board of Supervisors
- Members, Audit Oversight Committee
- Rob Richardson, Assistant to the CEO, County Executive Office
- Dianna Garcia, Director of Human Resources and Employee Relations
- Foreman, Grand Jury
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