



INTERNAL AUDIT DEPARTMENT

COUNTY OF ORANGE

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FINAL CLOSE-OUT

FOLLOW-UP AUDIT OF HUMAN RESOURCES DEPARTMENT RECLASSIFICATION PROCESS FOR MANAGEMENT POSITIONS, ORIGINAL AUDIT NO. 2344

AS OF OCTOBER 31, 2005

AUDIT NUMBER: 2551

REPORT DATE: February 9, 2006

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Final Close-Out

**Follow-Up Audit of Human Resources Department
Reclassification Process for Management Positions,
Original Audit No. 2344**

As of October 31, 2005

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Transmittal Letter

Audit No. 2551

February 9, 2006

TO: Dianna Garcia, Director
Human Resources Department

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

SUBJECT: **Final Close-Out Follow-Up Audit** of Human Resources Department
Reclassification Process for Management Positions,
Original Audit Report No. 2344, Issued September 12, 2003

We have completed a Final Close-Out Follow-Up Audit of the Human Resources Department Reclassification Process for Management Positions. Our audit was limited to reviewing, as of October 31, 2005, the implementation status of each recommendation made in our original audit report. The results of our Follow-Up Audit are discussed in the **Internal Auditor's Report** following this transmittal letter. **Because satisfactory corrective action has been taken for all thirteen recommendations, this report represents the close-out of the original audit.**

As the Director of the Internal Audit Department, I 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, and the implementation status of audit recommendations as disclosed by our Follow-Up Audits. Therefore, the results of this Follow-Up Audit will be included in a future summary to the BOS.

Other recipients of this report:

Members, Board of Supervisors
Members, Audit Oversight Committee
Thomas G. Mauk, County Executive Officer
Patricia Cahill, Manager, HR/Agency-Department Services
Gloria Phillips, Classification Manager, Human Resources
Foreperson, Grand Jury
Darlene J. Bloom, Clerk of the Board of Supervisors



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INTERNAL AUDITOR'S REPORT
FINAL CLOSE-OUT

Audit No. 2551

February 9, 2006

Dianna Garcia, Director
Human Resources Department
10 Civic Center Plaza, 2nd Floor
Santa Ana, CA 92701

We have completed a Final Close-Out Follow-Up Audit of the Human Resources Department (formerly under the County Executive Office) Reclassification Process for Management Positions. Our audit was limited to reviewing, as of October 31, 2005, the implementation status of each recommendation made in our original audit report dated September 12, 2003.

The original audit report contained thirteen (13) recommendations. The recommendations addressed developing standards and criteria for making reclassification decisions; implementing effective tracking, documentation and communication systems for classification studies; establishing timelines and feedback processes for departments/agencies; improving responsiveness to departments/agencies; enhancing training processes and establishing performance measures. **We are pleased to report that satisfactory corrective action has taken place for all thirteen recommendations. As such, this report represents the final close-out of the original audit.**

Our Follow-Up Audit found that Human Resources made enhancements to the reclassification process, including the establishment of a Classification Working Group, development of classification training and a Classification Handbook, implementation of an online classification study tracking system, and the creation of a "HR Portal" where information can be disseminated to department/agency Human Resource managers.

We appreciate the cooperation and assistance extended to us by the Human Resources Department staff during our Follow-Up Audit.

Sincerely,

Dr. Peter Hughes, CPA, Director
Internal Audit Department

Dianna Garcia, Director, Human Resources Department

February 9, 2006

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Distribution Pursuant to Audit Oversight Committee Procedure No. 1

Members, Board of Supervisors

Members, Audit Oversight Committee

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