



INTERNAL AUDIT DEPARTMENT
COUNTY OF ORANGE

Recipient of the Institute of Internal Auditors
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FINAL CLOSE-OUT

FIRST FOLLOW-UP AUDIT
LIMITED REVIEW OF LEASE REVENUE
FOR
AVENTURA SAILING ASSOCIATION

(ORIGINAL AUDIT No. 2564)

AS OF
AUGUST 31, 2006

AUDIT NUMBER: 2650-B

REPORT DATE: SEPTEMBER 26, 2006

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Final Close-Out

**First Follow-Up Audit
Limited Review of Lease Revenue
Aventura Sailing Association
Original Audit No. 2564**

**As of
August 31, 2006**

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INTERNAL AUDIT DEPARTMENT

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Transmittal Letter

Audit No. 2650-B

September 26, 2006

TO: George Carvalho, Director
Dana Point Harbor Department (DPHD)

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



SUBJECT: **Final Close-Out** First Follow-Up Audit of Limited Review of Lease Revenue for
Aventura Sailing Association, Original Audit No. 2564

We have completed the First Follow-Up Audit of the Limited Review of Lease Revenue for Aventura Sailing Association (Aventura). Our audit was limited to reviewing actions taken, as of August 31, 2006, to implement the recommendations made in our original audit report dated June 7, 2006. 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 the four (4) recommendations, this report represents the final close-out of the original audit.

As the Director of Internal Audit, I now submit a monthly audit status report 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. Accordingly, the results of this audit will be included in a future status report to the BOS.

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

Other recipients of this report:

Members, Board of Supervisors

Members, Audit Oversight Committee

Thomas G. Mauk, County Executive Officer

Paul Lawrence, Manager, DPHD/Leasing & Revitalization

Louis McClure, Budget Officer, DPHD

Gregory Dean, Lease Compliance Specialist, DPHD

Mary Fitzgerald, Manager, RDMD/Accounting Services

Betsy Estrada, Chief, RDMD/Accounting Services/External Claims/HB&P Programs

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. 2650-B

September 26, 2006

George Carvalho, Director
Dana Point Harbor Department
24650 Dana Point Harbor Drive
Dana Point, CA 92629

We have completed the First Follow-Up Audit of the Limited Review of Lease Revenue for Aventura Sailing Association (Aventura). Our audit was limited to reviewing actions taken, as of August 31, 2006, to implement the recommendations made in our original audit report dated June 7, 2006.

The original audit report contained four (4) recommendations. We are pleased to report that all four (4) recommendations have been fully implemented within the timeframe expected by the Board of Supervisors. As such, this report represents the final close-out of the original audit. We commend Aventura and DPHD for their responsiveness and attentiveness in addressing the audit recommendations made in our original report.

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
- Thomas G. Mauk, County Executive Officer
- Paul Lawrence, Manager, DPHD/Leasing & Revitalization
- Louis McClure, Budget Officer, DPHD
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