OC Board of Supervisors'

Internal Audit Department

ORANGE COUNTY

AUDIT OF SHERIFF-CORONER EXPENDITURES:

SHERIFF ADMINISTRATION REVOLVING FUND EXPENDITURES AND TRAVEL EXPENDITURES REIMBURSED THROUGH PAYROLL

For the Fiscal Year Ending June 30, 2007

We tested 100% of Sheriff Administration's Travel Cash Advances and Petty Cash transactions for the fiscal year ending June 30, 2007, and found all the expenditures and claims contained proper authorization, appropriate supporting documentation, and were allowable expenditures per County policy.

AUDIT NO: 2766-1

REPORT DATE: MARCH 19, 2008

An Audit Oversight Committee Directed Audit
Meeting Date: November 7, 2007

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Letter from Director Peter Hughes

Transmittal Letter

AUDIT NO. 2766-1 **MARCH 19, 2008**

TO: Members, Audit Oversight Committee
Jack Anderson, Assistant Sheriff
Acting As Sheriff-Coroner
David E. Sundstrom, Auditor-Controller

FROM: Dr. Peter Hughes, CPA, Director
Internal Audit Department

SUBJECT: Audit of Sheriff-Coroner Expenditures: Sheriff Administration Revolving Fund Expenditures and Travel Expenditures Reimbursed Through Payroll

At the request of the Audit Oversight Committee on November 7, 2007, we have completed an audit of **revolving fund expenditures, and travel expenditures reimbursed through payroll**, of Sheriff-Coroner Administration for the fiscal year ending June 30, 2007. The purpose of our audit was to determine if Sheriff-Coroner Administration's revolving fund and travel expenditures were made in compliance with requirements of County Accounting Manual procedures and other related County travel policies. Our final report is attached for your review.

This report is one in a series of reports to be issued on expenditures incurred by Sheriff-Coroner Administration. We will issue separate reports on the use of County purchasing cards, and selected areas of procurement and contracting pertaining to Sheriff-Coroner Administration.

Please note we have a structured and rigorous **Follow-Up Audit** process in response to recommendations and suggestions made by the Audit Oversight Committee (AOC) and the Board of Supervisors (BOS). As a matter of policy, our **first Follow-Up Audit** will begin at six months from the official release of the report. A copy of all our Follow-Up Audit reports is provided to the BOS as well as to all those individuals indicated on our standard routing distribution list.

The AOC and BOS expect that audit recommendations will typically be implemented within six months and often sooner for significant and higher risk issues. Our **second Follow-Up Audit** will now begin at six months from the release of the first Follow-Up Audit report, by which time **all** audit recommendations are expected to be addressed and implemented.

At the request of the AOC, we are to bring to their attention any audit recommendations we find still not implemented or mitigated after the second Follow-Up Audit. The AOC requests that such open issues appear on the agenda at their next scheduled meeting for discussion.

We have attached a **Follow-Up Audit Report Form**. Your department should complete this template as our audit recommendations are implemented. When we perform our first Follow-Up Audit approximately six months from the date of this report, we will need to obtain the completed document to facilitate our review.

Each month I submit an **Audit Status Report** to the 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.

As always, the Internal Audit Department is available to partner with your staff so that they can successfully implement or mitigate difficult audit recommendations. Please feel free to call me should you wish to discuss any aspect of our audit report or recommendations.

Additionally, we will request your department complete a **Customer Survey** of Audit Services. You will receive the survey shortly after the distribution of our final report.

ATTACHMENTS

Other recipients of this report are listed on the Internal Auditor's Report on page 9.

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Sheriff Administration Revolving Fund Expenditures
and Travel Expenditures Reimbursed Through Payroll
Audit No. 2766-1

For the Fiscal Year Ending
June 30, 2007

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INTERNAL AUDITOR'S REPORT

AUDIT NO. 2766-1 **MARCH 19, 2008**

TO: Members, Audit Oversight Committee
Jack Anderson, Assistant Sheriff
Acting As Sheriff-Coroner
David E. Sundstrom, Auditor-Controller

SUBJECT: Audit of Sheriff-Coroner Expenditures:
Sheriff Administration Revolving Fund Expenditures
and Travel Expenditures Reimbursed Through Payroll

Audit Highlight

We tested 100% of Sheriff Administration's Travel Cash Advances and Petty Cash transactions for the fiscal year ending June 30, 2007, and found all the expenditures and claims contained proper authorization, appropriate supporting documentation, and were allowable expenditures per County policy.

Introduction

The Internal Audit Department completed an audit of revolving fund expenditures and travel expenditures reimbursed through payroll, as incurred by the Sheriff-Coroner, Undersheriff and Assistant Sheriffs, and their administrative support staff (which we refer to in this report as Sheriff Administration) for the fiscal year ending June 30, 2007.

During this audit period, Sheriff Administration incurred **$59,025 in revolving fund/travel cash advances; $59,445 in revolving fund/petty cash expenditures;** and **$1,849 in travel expenditures reimbursed through payroll**. We also reviewed **four travel claims** for the Sheriff-Coroner and Assistant Sheriff resulting from travel in August through September 2007 totaling **$3,655.**

This report is one in a series to be issued on expenditures incurred by Sheriff-Coroner Administration. Other reports will address the use of County purchasing cards, and selected areas of procurement and contracting pertaining to Sheriff-Coroner Administration.

Background

On November 7, 2007, the County of Orange Audit Oversight Committee (AOC) directed the Internal Audit Department to conduct an audit of expenditures incurred by the Sheriff Administration. This directive was in response to a recent federal indictment concerning allegations of public corruption charges against the elected Sheriff-Coroner, Michael Carona. The AOC expressed a desire to double check the integrity of key accounts, funds and expenditures under the direction of Sheriff Administration.

The Sheriff-Coroner Department is comprised of approximately 4,000 sworn and professional staff members, has an annual budget exceeding $440 million, and consists of four organizational functions (Operations; Investigations/Communications/Court Operations; Special Services; and Jail Operations) that are divided into 21 divisions.

Sheriff-Coroner Revolving Fund
In fiscal year 2006-07, the Sheriff-Coroner Department had a revolving fund authorized for the following amounts:

Sheriff-Coroner	$247,000
Sheriff-Coroner/Emergency Management	3,000
	$250,000

Revolving funds are allocated to various divisions in the form of cash and/or checking accounts, and are used for certain services and supplies, and for travel cash advances. Financial/Administrative Services reviews and processes all revolving fund expenditures incurred by the Department. Revolving fund usage for the entire Department during fiscal year 2006-07 **totaled $2,462,279.**

Sheriff-Coroner Administration (Sheriff Administration) oversees the operation of the department and is where the elected Sheriff-Coroner, the Undersheriff, and Assistant Sheriffs carry out their responsibilities. Sheriff Administration is identified as **Organization 491** and is comprised of the following **16 positions**:

(1) Sheriff-Coroner
(1) Undersheriff
(5) Assistant Sheriffs
(2) Executive Secretaries
(3) Secretaries
(1) Executive Assistant
(1) Information Processing Tech.
(1) Office Technician
(1) Office Trainee

Sheriff Administration's travel expenses are made and claimed through a variety of payment types:

- **Revolving Fund/Petty Cash** – Expenses paid by cash or check for supplies, travel and certain services.
- **Revolving Fund/Travel Cash Advances** – Cash advances made prior to travel, and for reimbursement of incurred travel expenses (reimbursement of incurred travel expenses via the revolving fund is discussed in detail on page 5).
- **Mileage & Other Expenses Claims** - Employee incurs travel costs, submits reimbursement claim, and is reimbursed through payroll.
- **County Purchasing Cards** – Credit card transaction using department/agency funds for business related purchases.
- **Procurement & Contracted Services** – Contract with travel agency for department's travel needs.

Note: This audit and report addresses only revolving fund/petty cash expenditures, travel cash advance expenditures paid through the revolving fund, and travel expenditures reimbursed through payroll for Sheriff Administration. Separate audit reports will be issued for travel and other expenses using County purchasing cards and for selected aspects of contracting and procurement.

Audit Scope and Objectives

We conducted an audit of revolving fund expenditures and travel expenditures reimbursed through payroll incurred by Sheriff Administration for the fiscal year ending June 30, 2007. In addition, we reviewed four travel claims for the Sheriff-Coroner and an Assistant Sheriff resulting from local and international travel in August and September 2007**.**

The primary objective of our audit was to determine if Sheriff-Coroner Administration's revolving fund and travel expenditures were made in compliance with requirements of County Accounting Manual procedures and other related County travel policies. In addition, we audited certain "internal controls" related to maintaining compliance with established policies; however we did not conduct a detailed Internal Control Review of these processes.

Because some expenses for Sheriff Administration were recorded to General Administration (Organization 900), we also audited expenditures under that organization code pertaining to Sheriff Administration. Our audit was limited to Sheriff Administration expenditures recorded in Organizations 491 and 900, and did not include expenditures incurred in the other Sheriff-Coroner organizations and divisions.

As such, we **conducted twelve interviews** of staff and management in Sheriff-Coroner Financial/Administrative Services involved in processing revolving funds and travel expenditures and we **tested 100% of the expenditures** incurred by Sheriff Administration for compliance with established County policies and procedures. In addition to determining compliance with established County policies, our audit of travel expenditures included the following:

- Reviewed supporting documents for hotel rates. Daily hotel rates for domestic travel ranged between $61 and $255; daily hotel rates for international travel (e.g., London, France) ranged between $123 and $411.

- Determined that expenditures did not contain expenses for non-County employees and were made for County-related business per the description noted on the claims and review of supporting documents.

- Confirmed that *Mileage & Other Expenses Claim* forms were properly itemized and mathematically correct.

- Verified existence of Board of Supervisors and/or CEO required approval prior to the Sheriff-Coroner and the Assistant Sheriffs taking international travel to London and France.

Summary of Audit Results

We found **no material weaknesses or significant issues** concerning Sheriff Administration's compliance with County procedures in regards to revolving fund and travel expenditures reimbursed through payroll. The expenditures and claims we audited contained proper authorization, appropriate supporting documentation, and were allowable expenditures per County policy. We did note the following observations where we believe existing processes need to be clarified or enhanced:

1. **Reimbursement of Travel Expenditures with Revolving Fund/Travel Cash Advances.** The Sheriff-Coroner Department reimburses a majority of employee travel expenditures through the revolving fund/travel cash advances instead of having employees obtain reimbursement through the payroll process. This occurs in instances even when no cash advances are made. This long-standing practice was initiated years ago by a former Sheriff-Coroner because of emergency situations that arise in the Department due to the nature of law enforcement, and provide shorter processing times for reimbursing employee expenses.

2. **Review of Travel Claims by Auditor-Controller Claims & Disbursing.** Because the Sheriff-Coroner Department submits travel claims through the revolving fund/cash advance process instead of the payroll process, not all Sheriff-Coroner employee *Mileage & Other Expenses Claim* forms are being reviewed in Auditor-Controller Claims & Disbursing (A-C Claims). A-C Claims only audits every 4th or 5th revolving fund replenishment request which could contain *Mileage & Other Expense Claim* forms. This practice is based on A-C Claims' staffing resources and workloads and occurs only for certain departments/agencies that have a high volume of revolving fund expenditures, such as the Sheriff-Coroner. Because these claims are processed as revolving fund replenishments, they are not subject to detailed reviews for compliance with IRS requirements. Our audit of such travel claims, however, included 100% of the claims submitted for the fiscal year ending June 30, 2007.

3. **Timely Submission of Travel Advance Claims.** We noted that 19 of 87 (22%) *Mileage & Other Expenses Claim* forms were not dated and/or filed within 5 working days after the completion of travel as required by County Accounting Manual (CAM) procedure C-1 – *Cash Advance/ Revolving Fund.* The intent of this policy is to ensure employees account and submit their cash advances and actual travel expenses timely. Sheriff-Coroner Financial/Administrative Services has a Travel Cash Advance desk that administers all travel advances in the Department, and has a process is in place for monitoring and notifying employees of outstanding travel cash advances.

These items are discussed in detail in the next section of this report.

DETAILED OBSERVATIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSES

Revolving Fund: Travel Cash Advances

In Fiscal Year 2006-07, Sheriff Administration incurred **87 travel cash transactions totaling $59,025,** which was 5% of total department revolving fund/travel cash advances. Our audit tested **100%** of these transactions for compliance with County policies and procedures.

Travel cash advances are funds in which a set amount of money is set aside for making cash advances for traveling or other expenses related to such travel that do not exceed $1,000 for each cash advance, and for making cash advances over $1,000 that are approved by the department head. Travel cash advances must be processed in accordance with the Auditor-Controller's County Accounting Manual Procedure No. C-1 – *Cash Advances – Revolving Fund*. We noted the following audit observations:

1. **Reimbursement of Travel Expenditures with Revolving Fund/Travel Cash Advances**
   The Sheriff-Coroner Department is using its travel cash advance revolving fund to reimburse employees for travel expenses when no cash advances are provided, instead of having employees obtain reimbursement through the bi-weekly payroll process. This long-standing practice was initiated years ago by a former Sheriff-Coroner because of emergency situations that arise in the Department due to the nature of law enforcement, and provide shorter processing times for reimbursing employee expenses.

   In Sheriff Administration, of the 87 transactions tested, only **46 instances** (53%) had cash advances issued prior to travel. The other 41 instances were indicated as "cash advances" on the *Mileage & Other Expenses Claim* forms after the travel event, and employees were reimbursed by the Sheriff-Coroner Travel Cash Advance desk through issuance of revolving fund checks.

   Our review of the *County of Orange Business Travel and Reimbursement of Related Expenses* policy and the County of Orange Accounting Manual, Section C-1, *Cash Advances – Revolving Funds*, **found this practice was not prohibited**. These policies do allow for "Regular cash advances for travel or expenses related to such travel…be issued from the revolving funds used for petty cash disbursements established for each County department/agency…" as long as a separate account is established for travel cash advances and that travel expenses are claimed on a *Mileage & Other Expenses Claim* submitted to the Auditor-Controller for review and approval.

We were informed there were communications between A-C Claims and Sheriff-Coroner Financial/Administrative Services about this issue; however, we did not observe any written documentation or expected outcomes of those communications. We also observed that there are several layers of reviews and approvals of these travel claims occurring in the Sheriff-Coroner outlying divisions and in Financial/Administrative Services prior to submitting the claims to A-C Claims.

Recommendation No. 1
Sheriff-Coroner Department and Auditor-Controller Claims & Disbursing jointly work towards determining the most effective and practical method for submitting travel and other related expenses for review and approval by the Auditor-Controller.

Sheriff-Coroner Management Response:
Concur. The Department concurs with the recommendation and will work with the Auditor-Controller Claims & Disbursing to review current procedures and determine the most effective and practical method for submitting travel and other related expenses for review and approval by the Auditor-Controller.

Auditor-Controller Management Response:
Concur. We will contact the Sheriff-Coroner department to determine if there is a more practical method of submitting claims for travel and other expenses.

2. Review of Travel Claims by A-C Claims & Disbursing

A-C Claims has different processes for reviewing/approving *Mileage & Other Expenses Claim* forms that are reimbursed through payroll and for reviewing/approving revolving fund replenishments requested by departments/agencies.

For *Mileage & Other Expenses Claim* forms reimbursed via payroll, A-C Claims has deputized Accounts Payable staff that review and approve **all** employee *Mileage & Other Expenses Claim* forms prior to payment. For *Mileage & Other Expenses Claims* in which travel cash advances were made, employees are first reimbursed by their department revolving funds, and the *Mileage & Other Expenses Claims* are submitted to A-C Claims in revolving fund replenishment requests.

We were informed by A-C Claims that *Mileage & Other Expenses Claim* forms submitted from the Sheriff's department through the revolving fund desk only receive a full audit of supporting documents on every 4th or 5th revolving fund envelope. This practice is based on A-C Claims' staffing resources and workloads and occurs for certain departments/agencies that have a high volume of revolving fund expenditures.

As such, *Mileage & Other Expenses Claim* forms are not reviewed under the same frequency and criteria established in A-C Claims for travel claims reimbursed through payroll.

The *County of Orange Business Travel and Reimbursement of Related Expenses*, Section 18.5, states "The Auditor-Controller performs a general review to determine that the amount and items are reasonable and in compliance with County policies." Part of A-C Claims' review includes determining if reimbursements provided to employees are subject to employment tax in accordance with the Department of the Treasury, Internal Revenue Service, Publication 15-E - *Employer's Tax Guide to Wages and Other Compensation.* Because these claims go through the revolving fund desk, they are not subject to detailed reviews for compliance with IRS requirements.

Recommendation No. 2
Auditor-Controller increase the frequency of reviews of Sheriff-Coroner *Mileage & Other Expenses Claim* forms that are submitted through the revolving fund desk receive as determined appropriate by A-C Claims' management.

Auditor-Controller Management Response:
Concur. We will increase the frequency of reviews of mileage claims submitted by the Sheriff department through the petty cash envelopes.

3. Timely Submission of Travel Advance Claims.
Our testing disclosed that 11 of 87 *Mileage & Other Expenses Claim* forms (13%) reviewed were not filed within 5 working days after the completion of travel, as required by the County Accounting Manual (CAM) procedure C-1. They were submitted between 6 and 26 days after completion of travel. In addition, 8 of the claims reviewed were not dated by the employee requesting reimbursement; therefore, we could not evaluate the timeframe submitted.

Based on audits of travel cash advances we conducted in other departments/agencies, we noted that large departments/agencies with outlying locations have challenges meeting the 5 working day procedural timeframe. We also noted that the Sheriff-Coroner Department does have a process in place for monitoring and notifying employees of outstanding travel cash advances.

Recommendation No. 3
Sheriff-Coroner ensure *Mileage & Other Expenses Claims* are dated when submitted, and continue efforts to have them submitted within the timeframe specified in CAM C-1.

Sheriff-Coroner Management Response:
Concur. The Department concurs with the recommendation. The Travel Coordinator will verify that the Mileage & Other Expenses Claim is dated when submitted by employees for reimbursement. Supervisory review will also include verifying that the claim is dated. The Travel Coordinator will continue to monitor the timely submission of Mileage & Other Expenses Claims to meet the 5 working day timeframe specified in CAM C-1 and notify employees of outstanding travel cash advances beyond that timeframe.

Revolving Fund: Petty Cash Expenditures

During fiscal year 2006-07, Sheriff Administration processed **307 petty cash transactions totaling $59,445,** which was 5% of total department revolving fund/petty cash expenditures. Our audit tested **100%** of these transactions for compliance.

These are funds in which a fixed amount of money is set aside for uses such as making change and paying for certain supplies and services that do not exceed $1,000 for individual purchases. These cash expenditures must be processed in accordance with the Auditor-Controller's County Accounting Manual (CAM) Procedure No. C-7 – *Revolving Cash Fund*. For purposes of travel, these funds are typically used to pay registration costs for seminars and classes.

Our audit of these expenditures found no instances of non-compliance with the requirements of CAM Procedure C-7; therefore, **we have no recommendations in this area.**

Travel Expenditures Reimbursed Through Payroll Process

During fiscal year 2006-07, Sheriff Administration submitted **six *Mileage & Other Expenses Claim* forms** for reimbursement of travel expenses (**totaling $1,849**) to A-C Claims, which were processed through payroll. We also audited **four *Mileage & Other Expenses Claim* forms (totaling $3,655**) for travel by the Sheriff-Coroner and Assistant Sheriff in August and September 2007 in order to test these local and international travel claims for proper authorization and reimbursement requirements.

Our audit of these claims found no instances of non-compliance; therefore, **we have no recommendations in this area.**

Acknowledgment

We appreciate the courtesy and cooperation extended to us during the audit by the personnel of Sheriff-Coroner Administration and Financial/Administrative Services, and Auditor-Controller Claims and Disbursing. If we can be of further assistance, please contact me; or Eli Littner, Deputy Director, at (714) 834-5899; or Michael Goodwin, Senior Audit Manager, at (714) 834-6066.

Respectfully Submitted,

Dr. Peter Hughes, CPA, Director
Internal Audit Department

Attachments

Distribution Pursuant to Audit Oversight Committee Procedure No.1

Members, Board of Supervisors
Rick Dostal, Executive Director, S-C Special Services
Jane Reyes, Asst. Director, S-C Financial/Administrative Services
Nicole Macias, Financial Officer, S-C Financial/Administrative Services
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Shaun Skelly, Senior Director, A-C/Accounting and Technology
Jan Grimes, Director, A-C/Central Accounting Operations
Bob Leblow, Senior Manager, A-C Claims & Disbursing
Toni Smart, Manager, A-C Internal Audit and Staff Services
Foreperson, Grand Jury
Darlene J. Bloom, Clerk of the Board of Supervisors

ATTACHMENT A: Report Item Classifications

For purposes of reporting our audit observations and recommendations, we will classify audit report items into three distinct categories:

- **Material Weaknesses:**
  Audit findings or a combination of Significant Issues that can result in financial liability and exposure to a department/agency and to the County as a whole. Management is expected to address "Material Weaknesses" brought to their attention immediately.

- **Significant Issues:**
  Audit findings or a combination of Control Findings that represent a significant deficiency in the design or operation of processes or internal controls. Significant Issues do not present a material exposure throughout the County. They generally will require prompt corrective actions.

- **Control Findings, Compliance and/or Efficiency/Effectiveness Issues:**
  Audit findings that require management's corrective action to implement or enhance processes and internal controls. Control Findings, Compliance and Efficiency/Effectiveness issues are expected to be addressed within our follow-up process of six months, but no later than twelve months.

ATTACHMENT B: Sheriff-Coroner Management Responses

SHERIFF-CORONER DEPARTMENT
COUNTY OF ORANGE
CALIFORNIA

550 N. FLOWER STREET
P.O. BOX 449
SANTA ANA, CA 92702-0449
(714) 647-7000

JACK ANDERSON
ACTING AS THE
SHERIFF-CORONER

ASSISTANT SHERIFFS
JACK ANDERSON
STEVE BISHOP
JO ANN GALISKY
CHARLES WALTERS

February 22, 2008

RECEIVED
2008 FEB 27 PM 2:20
INTERNAL AUDIT DEPARTMENT

To: Peter Hughes, Director
Internal Audit Department

From: Jo Ann Galisky
Assistant Sheriff

Subject: Response to Draft Audit 2766-1, Re: Travel and Revolving Fund Expenditures

As you note on page 1 of your report, this audit was initiated by the Audit Oversight Committee to "double check" the integrity of key accounts, funds, and expenditures under the direction of Sheriff Administration. I am pleased, but not surprised, to read that your audit noted no material or significant compliance issues.

In your report, you provide three recommendations intended to improve processing *Mileage & Other Expenses Claims*. Recommendations number 1 and 3 request responses from the Sheriff-Coroner Department. Following are the recommendations and our responses:

Recommendation No. 1
Sheriff-Coroner Department and Auditor-Controller Claims & Disbursing jointly work towards determining the most effective and practical method for submitting travel and other related expenses for review and approval by the Auditor-Controller.

Sheriff-Coroner Management Response:
The Department concurs with the recommendation and will work with the Auditor-Controller Claims & Disbursing to review current procedures and determine the most effective and practical method for submitting travel and other related expenses for review and approval by the Auditor-Controller.

Recommendation No. 3
Sheriff-Coroner ensure *Mileage & Other Expenses Claims* are dated when submitted, and continue efforts to have them submitted within the timeframe specified in CAM C-1.

Sheriff-Coroner Management Response:
The Department concurs with the recommendation. The Travel Coordinator will verify that the *Mileage & Other Expenses Claim* is dated when submitted by employees for reimbursement. Supervisory review will also include verifying that the claim is dated. The Travel Coordinator will continue to monitor the timely submission of *Mileage & Other Expenses Claims* to meet the 5 working day timeframe specified in CAM C-1 and notify employees of outstanding travel cash advances beyond that timeframe.

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DRUG USE IS LIFE ABUSE

ATTACHMENT B: Sheriff-Coroner Management Responses (continued)

Response to Draft Audit 2766-1
February 22, 2008
Page 2 of 2

I would like to thank you and your staff for the thorough and professional manner in which the audit was conducted and I appreciate your acknowledgment of the Sheriff-Coroner Department's courtesy and cooperation provided to your staff during the audit. If you have any questions regarding our responses please contact Rick Dostal, Director Financial and Administrative Services Division at 834-6680.

Jo Ann Galisky, Assistant Sheriff
Orange County Sheriff-Coroner Department

ATTACHMENT C: Auditor-Controller Management Responses

AUDITOR-CONTROLLER
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DAVID E. SUNDSTROM, CPA
AUDITOR-CONTROLLER

RECEIVED
INTERNAL AUDIT DEPARTMENT
2008 MAR 17 PM 1:30

March 12, 2008

TO: Peter Hughes, Director
Internal Audit Department

SUBJECT: Audit Report No. 2766-1, Audit of Sheriff-Coroner Expenses

Following is our response to the recommendations contained in the Audit Report of Sheriff-Coroner Expenses, Audit No. 2766-1

Recommendation No. 1
Sheriff-Coroner Department and Auditor-Controller Claims & Disbursing jointly work towards determining the most effective and practical method for submitting travel and other related expenses for review and approval by the Auditor-Controller.

Auditor-Controller Response
Concur. We will contact the Sheriff-Coroner department to determine if there is a more practical method of submitting claims for travel and other expenses.

Recommendation No. 2
Auditor-Controller increase the frequency of reviews of Sheriff-Coroner *Mileage & Other Expenses Claim* forms that are submitted through the revolving fund desk receive as determined appropriate by A-C Claims' management.

Auditor-Controller Response
Concur. We will increase the frequency of reviews of mileage claims submitted by the Sheriff department through the petty cash envelopes.

Thank you for the opportunity to respond to the audit of Sheriff-Coroner expenses. Please contact Bob Leblow at 834-2466 if you have any questions on our response.

David E. Sundstrom
Auditor-Controller

DES:lr
Claims & Disbursing Draft Audit 2720-2/auditor