

EXECUTIVE SUMMARY OF EXTERNAL AUDIT ACTIVITY
For the Quarter Ended 6/30/05

<u>SUMMARY ACTIVITY</u>	
Total Audits Prior Quarter (3/31/05)	101
Additions: In Progress	30
Planned	25
Deletions: Canceled	1
Completed	26
Total Audits Current Quarter (6/30/05) (In Progress or Planned)	<u>129</u>

Results for the Quarter:

Audits Completed – Will be Deleted Next Quarter	<u>23</u>
New Findings/Issues Reported by the Departments (16 findings from 7 audits)	<u>16</u>

Material Issues:

Prior Quarter – In Process:	2
1. <u>HCA-Behavioral Health</u> , p. 5 of report. State Auditors found \$1.8M in disallowances for the <i>Handicapped & Disabled Students Program</i> . HCA is disputing the disallowances and is pursuing legislative remedies.	
2. <u>HCA-Behavioral Health</u> , p. 6 of report. State Auditors found double claiming in error of about \$1M for <i>Medi-Cal Costs</i> . The State will reduce current HCA FY claim by \$972K.	

Current Quarter: **0**

With the information available at this time, it appears there are no material issues.

Total Material Issues **2**

EXTERNAL AUDIT ACTIVITY
Quarterly Status Report
4th Quarter FY 04-05

Results: There were no new significant findings reported to Internal Audit this quarter.

The schedule below identifies the status of external audits as of 6/30/05, as reported to us by the Departments/Agencies. The schedule also includes any significant findings noted as a result of the external audits.

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Assessor	State Board of Equalization	All Assessment Practices	Every 5 Years	1999	Compliance with legal requirements and sampling of property valuation data.	Audit started in 3/05 and will continue through early 2006.	
Auditor-Controller		<u>CEO/Public Finance Accounting</u>					
	Macias, Gini & Company LLP	Special Financing Authority (Teeter Program)	FY 6/30/05 Annually	FY 6/30/04	Full financial audit of the operations of the Special Financing Authority for the 04-05 fiscal year.	Planned, but not started.	
		<u>Collections</u>					
	State of California	Trial Court.	7/1/98 - 6/30/03	December 1999	Court Revenues	Final report not yet received.	
		<u>Financial Reporting</u>					
	State Controller's Office	SB90 Mandate Handicapped and Disabled Students	FY 00-01 and 01-02	FY 97-98 and 98-99	Program and SB90 claim audit.	Exit conference held 4/28. Awaiting draft report. (This audit is also noted under HCA- Behavioral Health.)	Findings should be adjusted to reflect the outcome of the recent test claim.

Pursuant to Audit Oversight Committee Administrative Procedure Number 2, Reporting on External Audits, County Departments/ Agencies governed by the Board of Supervisors are required to notify the Internal Audit Director of all third party audit activity. The procedure was established to keep the Audit Oversight Committee informed of all third party audits being performed and any significant findings identified.

Note: Due to staffing issues or other reasons, the Housing & Community Services Department (HCSD), the Assessor's Office, and the Auditor-Controller Department (A/C) did not provide the current status for their external audits within the requested timeframe. However, the audits performed by Macias, Gini & Company for HCSD and A/C were updated with information provided by Macias, Gini & Company.

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Auditor-Controller (Cont'd.)		<u>Financial Reporting Cont'd.</u>					
	Macias, Gini & Company LLP	OCJP	FYE 6/30/05 Annually	FYE 6/30/04	In accordance with OCJP Grants Audit Program	Planned, but not started.	
	Macias, Gini & Company LLP	Single Audit Report	FYE 6/30/05 Annually	FYE 6/30/04	OMB A-133 Expenditures of Federal Assistance	In process.	
	Macias, Gini & Company LLP	Comprehensive Annual Financial Report	6/30/05 Annual	6/30/04	Compliance and financial.	In process.	
	Macias, Gini & Company LLP	Tobacco Settlement Revenue (TSR) Fund	FYE 6/30/05	FYE 6/30/04	Agreed upon procedures	In process.	
	State Controller's Office	Sexually Violent Predators-SB90 mandate audit (Consolidated claims include costs for Public Defender, District Attorney & Sheriff.)	FY 00-01, 01-02, and 02-03	First time.	SB90 Mandated Costs Parameters and Guidelines	In process. Entrance conference held 1/20/05 between SCO, Public Defender, Sheriff & A-C staff. (This audit also noted under Public Defender, and Sheriff.)	
	State Controller's Office (SCO)	Absentee Ballots Ch. 77/78 (Registrar of Voters)	FY 01-02, 02-03	First Time	SB90 Mandated Costs Parameters & Guidelines	Draft report issued 5/13/05. County response due 6/10/05. (This audit also noted under the Registrar of Voters.)	Unallowable costs were offset by unclaimed allowable costs. Registrar will file amended claims to recover additional allowable costs discovered during audit.
		<u>General Ledger</u>					
		No audits reported.					
		<u>Tax Unit</u>					
	State Controller's Office Division of Audits	Property Tax Apportionment & Allocation Systems	7/1/99 - 6/30/02 Tri-annual	7/1/96 - 6/30/99	Property Tax Apportionment and Allocation Systems	Exit conference held in January 2003. Waiting for draft report.	Finding regarding Supplemental Costs.
	State Controller's Office Division of Audits	Property Tax Apportionment & Allocation Systems	7/1/00- 6/30/05 Tri-annual	71/99- 6/30/02	Property Tax Apportionment and Allocation Systems	Planned, but not started.	
	Macias, Gini & Company LLP	Teeter Agreed-upon Procedures	FYE 6/30/05	FYE 6/30/04	Agreed-upon procedures as required by Sale and	In process.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Child Support Services	Federal Auditor Glen Branson	Data Reliability – Case Information and Reporting on CS157 Report	Annually	3/9/04	To ensure accuracy of data in the computer system and accuracy of the Federal/Annual State Statistical Reports (CS157).	Planned, but not started.	
Clerk of the Board of Supervisors	No audits in progress.						
County Clerk- Recorder	No audits in progress.						
County Counsel	No audits in progress.						
County Executive Office	State of California	Trial Court and other areas.	Possibly 7/1/98 - 6/30/03	Possibly Dec. 1999	Court Revenues	Final report issued.	Unknown at this time.
	Not known at this time.	Public Guardian’s Office	Unknown	N/A	Full management.	Planned, but not started.	
District Attorney	Kenneth M. Landon, State Controller	SB 90 Mandate: Sexually Violent Predators	2001, 2002, 2003 (randomly)	N/A	Compliance with all aspects of the SB 90 parameters and guidelines in preparation and submission of claims.	Fieldwork completed. Exit conference took place on 1/20/05. State is in the process of issuing the audit report.	
	State Controller	AB 1913 – School Mobile Assessment Resource Team Prog.	Unknown	N/A	Program is administered by the Probation Dept. Grant Award Period:7/1/03 - 6/30/04	No audit plan is given by State Controller at this time.	
	State Controller	AB 1913 – Truancy Response Team Prog.	Unknown	N/A	Program is administered by the Probation Dept. Grant Award Period:7/1/03 - 6/30/04	No audit plan is given by State Controller at this time.	
	Macias, Gini & Co., LLP	C-FIC Anti-Money Laundering Grant Program, Grant No. 2001 DD BX 0073	7/1/03- 6/30/04	12/03 (Single Audit)	Program Audit per Federal requirement. Grant Award Period: 1/1/02 - 9/30/04. The audit of this grant is to be included as part of the Single Audit program.	Audit completed.	No finding.

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
District Attorney (Cont'd.)	Macias, Gini & Co., LLP	Juvenile Offender Accountability Prog. (JAIBG) Grant No. 144-04	7/1/04- 6/30/05 Annually	12/04 Single Audit	Program audit per federal requirements. Grant period 7/1/04-6/30/05.	Planned, but not started.	
	Macias, Gini & Co., LLP	Special Crime Impact Team (SCIT) Grant No. 2004-DD- BX-1142.	5/01/04- 6/30/05 Annually	12/04 (Single Audit)	Program audit per federal requirements. Grant Award period: 7/1/04-6/30/05.	Planned, but not started.	
	Macias, Gini & Co., LLP	COPS Technology, Grant No. 2002 CK WX 0038	7/1/03- 6/30/04	N/A (New Program) (Covered by Single Audit)	Program Audit per Federal requirement. Grant award period: 10/1/01-3/31/04. The audit of this grant is to be included as part of the Single Audit program.	Audit completed.	No finding.
	McGladrey & Pullen, LLP (DA previously listed auditor as Macias, Gini & Co., LLP)	Community Pride Reclaimed (CPR), Grant No. GV 01 01 7208	7/1/03- 6/30/04 Annually	N/A	Program Audit per State OH/OES' requirement. (Grant is administered by La Habra Police Dept.) Grant Award Period: 7/1/03 - 6/30/04.	Audit completed. La Habra Police Dept. has not yet received the audit report.	No findings.
	Macias, Gini & Co., LLP	Juvenile Offender Accountability Prog. (JAIBG). Grant No. IP 02 B1 0300	7/1/03- 6/30/04	12/03 Single Audit	Program Audit per Federal requirement. Grant Award Period: 6/30/03-6/29/04.	Audit completed.	No finding.
	Macias, Gini & Co., LLP	Orange County Methamphetamine Lab-Investigation, Grant No. DC 03 16 0300.	7/1/03- 6/30/04	12/03 Single Audit	Program Audit per Federal Requirement. (Grant is administered by Sheriff Dept.) Grant Award Period: 7/1/03-6/30/04.	Audit completed.	No finding.
	Macias, Gini & Co., LLP	Strategies in Community Prosecution. Grant No. 2001-PP-CX-0014.	7/1/03- 6/30/04	12/03 Single Audit	Program Audit per Federal Requirement. Grant Award Period: 1/1/02-12/31/03. Audit of this grant is to be included as part of the Single Audit program.	Audit completed.	No finding.
	Macias, Gini & Co., LLP	Vertical Prosecution Program (MNVP, CCPP, CAVP, SRVP) Grant No. VP 04-02-	7/1/04 - 6/30/05 Annually	6/30/04 Single Audit	Program audit per State OHS/OES' requirements. Grant Award Period: 7/1/04- 6/30/05.	Planned, but not started.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
		0300					
District Attorney (Cont'd.)	Macias, Gini & Co., LLP	Project Safe Neighborhood (PSN)	7/1/03- 6/30/04	N/A (New Program) (Covered by Single Audit)	Program Audit per Federal requirement. Grant Award Period: 11/01/03-10/31/04.	Audit completed.	No finding.
	Macias, Gini & Co., LLP	CALGANG Enhancement Project	FYE 6/30/05 Annually	FYE 6/30/04	Expenditures and grant compliance.	Not started.	
Health Care Agency		<u>Behavioral Health</u>					
	State Dept. of Mental Health	Annual Review Protocol for Consolidated Specialty Mental Health Services and Other Funded Svcs.	2000-01 Annually	2000	Program/financial review	Audit completed. Waiting for draft report.	
	State Dept. of Mental Health	Annual Review Protocol for Consolidated Specialty Mental Health Services and Other Funded Services	2001-02 Annually	2001	Program/financial review	Audit completed. Waiting for draft report.	
	State Controller's Office	SB90 Handicapped & Disabled Students	FY 00/01 and 01/02	2002	Program and SB90 claim audit.	Exit conference held in April. Draft audit report due in August or September 2005.	Findings include disallowed costs for medication monitoring in 01-02, which should be reversed once the new parameters and guidelines for this mandate are established (see audit below). SCO's work papers will need to be revised to reflect this, before they issue a draft report.
	State Controller's Office	SB90 Handicapped & Disabled Students	1997-98 1998-99	N/A	Program Review	Final report received on January 2, 2003.	Remaining disallowances total approximately \$1.8 million. In May 2005, the Commission on State Mandates heard the test claims from LA and Stanislaus counties, amending the parameters and guidelines to include medication monitoring as an allowance service, but it is retroactive only to 7/1/01. <i>For further information, please contact Denise Steckler, Claim & Financial Reporting Manager, HCA Accounting at 714/834-7407.</i>

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Health Care Agency (Cont'd.)		<u>Behavioral Health</u> (Cont'd.)					
	State Department of Mental Health (DMH)	Short-Doyle Medi-Cal Cost Report	1998-1999 Annually	2003	Cost Report Audit	Informal Hearing held in November 2004.	The County is contesting one of the audit findings dealing with a contract provider units of service, PacifiCare. The County was allowed to submit a Revised Cost Report that would allow for the units of service to be changed on the cost report. The Revised Cost Report was submitted to the State on January 11, 2005. If the State accepts the revised cost report, the State could approve the units of service change and pay back the \$400,000 in Medi-Cal revenue.
	State Dept. of Mental Health	Annual Review Protocol for Consolidated Specialty Mental Health Services and Other Funded Services	2003-04 Annually	2003	Program/financial review	Planned, but not started.	
	State Dept. of Mental Health	Short-Doyle Medi-Cal Cost Report	1999-2000 Annually	2004	Program Review. Cost report audit.	Final report received on 6/13/05.	Findings totaled \$971,852. HCA concurred with the findings. The County double claimed approximately \$1M Medicare/Medi-Cal units in error. The State will be reducing a current FY claim submitted by HCA by \$972K.
	Behavioral Health Concepts (BCH), Inc. hired by Dept. of Mental Health (DMH)	Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Services	4/04 – 6/04 FY 2003-04	Unknown	Program and Financial Review	Completed in 2/05. Waiting for draft report.	
	External Quality Review Organization (EQRO) hired by Dept. of Mental Health (DMH)	Information Systems Capabilities Assessment for Managed Care Orgs/Prepaid Inpatient Health Plans	Current	Unknown	IT	Completed in 2/05. Waiting for draft report.	
	HHS Office of the Inspector General	Medicare Billing for HCA-Behavioral Health.	1/1/95 to 12/31/97	None	Medicare billing practices and eligibility for payment reimbursement.	Settlement discussions taking place. Dollar amount is indeterminate. Hoping to resolve	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
		<u>Behavioral Health</u> (Cont'd.)					
	State Controller's Office	SB90 Seriously Emotionally Disturbed (SED) Out of State Clients	FY 00/01 and FY 01/02	2002	Program and SB90 claim audit	Exit conference held in April 2005. Draft audit report due in August or September 2005.	
	State of California Department of Alcohol and Drug Programs Audit Services Branch	Substance Abuse and Crime Prevention Act (SACPA)	FY 01/02	unknown	Financial Review	Field work completed. Exit conference held 6/29/05	Exit conference held. Two potential findings, one related to unallowable costs and another related to contract accruals affecting two fiscal years. <i>(Total amount of unallowable costs not available at this time.)</i>
		<u>CEO</u>					
	Macias, Gini & Company	Tobacco Settlement Revenue	FY 2004- 2005	FY 03/04	Financial Review	In process.	
		<u>Environmental Health, Regulatory Health</u>					
	Special Audits Bureau of the State Controller's Office Division of Audits	Local Oversight Program (LOP)	7/1/01- 6/30/04	Unknown	Obtain reasonable assurance that costs claimed are allowable for reimbursement. Transactions are examined on a test basis to support the amounts claimed.	Completed 7/13/05.	<i>(HCA has not reported any significant findings to Internal Audit at this time.)</i>
		<u>Medical & Institutional Health Services</u>					
	Conrad & Associates	Emergency Medical Services Fund (EMSF)	FY 2000/01 through 2003/04	New	Financial Review	In process.	
	Department of Health Services	Preventive Health Care for Aging (PHCA) and Nutrition Education Program (NEP)	FY 03-04 and FY 04- 05	New	Financial & Program Review	Entrance Meeting 8/2/05	
		<u>Public Administrator</u>					
		No audits in progress.					

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Health Care Agency (Cont'd.)		Public Health					
	Macias, Gini & Company	CHDP - Medical	FY 2004- 2005	FY 02/03	For Single Audit	In process.	
	Macias, Gini & Company	CHDP Foster Care - Medical	FY 2004- 2005		For Single Audit	In process.	
	Macias, Gini & Company	CA Children's Services (CCS) - Medical	FY 2004- 2005		For Single Audit	In process.	
	Macias, Gini & Company	TCM	FY 2003- 2004		For Single Audit	In process.	
	Macias, Gini & Company	MAA	FY 2003- 2004		For Single Audit	In process.	
	Department of Health Services	Women, Infants and Children Program (WIC)	FY 2002- 2004	Unknown	Program Audit Only	Per Program Manager Maridet Ibanez. We have not received final audit report as of 3/31/05.	HCA was verbally told there were two findings: 1) Review with staff proper documentation regarding the drug question that is in the Integrated Statewide Information System (ISIS). Staff needs to specifically ask what is in ISIS. It is the database used to conduct WIC business. 2) Review with staff proper documentation regarding Notice of Action issued to participants being disqualified.
	Office of Inspector General	CHDP and CCS (CA Children's Services)	FY 2003- 2004	Unknown	Program review of Skilled Professional Medical Personnel (SPMP)	Planned, but not started.	
Housing and Community Services Department		Orange County Housing Authority					
	Macias, Gini & Company LLP	Section 8 Cluster Type A Program	FYE 6/30/05 Annually	FY 03/04	Single Audit.	In process. Limited procedures.	
	Macias, Gini & Company LLP	Orange County Housing Authority	FYE 6/30/05 Annually	FY 03/04	Financial review. (Agreed upon procedures. Audit of financial data schedules of OCHA for Housing Choice Vouchers & Section 8 Programs.)	Not started.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Housing and Community Services Department (Cont'd.)		<u>Special Programs Administration</u>					
	Employment Development Dept.	Workforce Investment Act	FY 05/06 Annually	FY 04/05	Program and Fiscal Monitoring	Planned but not started.	
	Macias, Gini & Company LLP	Workforce Investment Act	FY 2004/05	FY 2003/04	Program and Fiscal Monitoring.	Completed. Report dated 3/28/05.	None.
		<u>Office on Aging</u>					
	Macias, Gini & Company LLP	OoA/Aging Cluster	FYE 6/30/05 Annually	FY 00/02	Single Audit.	In process.	
		<u>Orange County Development Agency</u>					
	Macias, Gini & Company LLP	Orange County Development Agency	FYE 6/30/05 Annually	FY 03/04	Financial and compliance.	Planned but not started.	
		<u>Community Advocacy Division</u>					
		No audits in progress.					
Human Resources		<u>Human Resources</u>					
	Cooperative Personnel Svc. – Merit Systems Svcs. (CPS)	Recruiting Classification EEO	Periodic	2003	Compare HR operations against State Merit System rules.	Response to report being finalized by HR Dept. HR Director contacted CPS regarding report findings.	In general compliance with ALMS standards as stated in LAPS, Chapter 1; Merit System Selection Rules and Appeal Procedures need to be updated.
		<u>Employee Relations</u>					
	Cooperative Personnel Svc. – Merit Systems Svcs. (CPS)	Training Performance Management	Periodic	2003	Compare HR operations against State Merit System rules.	Response to report being finalized by HR Dept. HR Director contacted CPS regarding report findings.	In general compliance with ALMS standards as stated in LAPS, Chapter 1; Merit System Selection Rules and Appeal Procedures need to be updated.
Integrated Waste Management	Macias, Gini & Co., LLP	IWMD Financial Statements IWMD Accounting	FYE 6/30/05 Annually	FYE 6/30/04	Financial and compliance audit.	Planned, but not started.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Internal Audit Department	No audits in progress.						
John Wayne Airport	Macias, Gini & Co., LLP	JWA Financial Statements	FYE 6/30/05 Annual	6/30/04	Financial and compliance.	Planned, but not started.	
	Macias, Gini & Co., LLP	JWA Airport Improvement Program (AIP) Single Audit	FY 04/05 Triennial	6/30/02	Financial. Part of Single Audit.	In process.	
Orange County Public Library	No audits in progress.						
Probation	California Dept. of State Controller	Accounting	4 Years	Summer 1999	Money due State of California	Draft findings reported to Agency by State of CA.	No significant findings. Some minor data collection and reporting method changes recommended. Probation concurs and has implemented. No fiscal impacts to Probation.
	State of CA	Prop. 36 FY 01-02	FY 01-02 One year - Single	Never	Program and financial reporting.	In process.	
	Macias, Gini & Co., LLP	Temporary Assistance for Needy Families (TANF)	FYE 6/30/05	FYE 6/30/02 FY 01-02	Part of annual single audit of federal funding.	In process.	
Public Defender	State Controller's Office	Sexually Violent Predator	FY 00/01 to FY 02/03	First audit.	Reimbursement claims (3 years).	Response to draft audit report being prepared by the Auditor-Controller.	
	Office of Criminal Justice Planning	OCJP Grant #V102010300	8/1/02 – 12/31/03	1/30/04 by Macias & Gini	Schedule of Grant Costs Claimed and Accepted.	Planned, but not started. <i>The OCJP will not perform this audit after all. This audit will be removed next quarter.</i>	
	State Controller	Proposition 36	FY 01-02	First Audit	Reimbursement claims for FY ½	Report pending.	
	Macias, Gini & Co., LLP	OCJP Grant #V102010300	FYE 6/30/05	FYE 6/30/04	Expenditures and grant compliance.	Not started.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Registrar of Voters	Secretary of State	SB90 Mandate- Absentee Ballots	2001-2002 2002-2003	First Time	Absentee Reimbursement Claim.	Currently, reviewing the draft report.	Adjusted Productive Hourly Rate, ICRP Rate. (Included 15 minutes for morning and afternoon break times for non- productive hours and this was disallowed by State. For ICRP, Maximus (preparers for department's ICRP) used wrong CWCAP and wrong direct and indirect cost. We also understated Salaries on FY 2002/2003 which was brought to the State Auditor's attention. An amended claim must be filed by December 31, 2004. The State owes Registrar of Voters an additional \$176,869.00 on FY 2002/03 claim. For FY 2001/02, Registrar owes the State \$5,925.)
Resources and Development Management Department	Air & Water Quality Management District	Air & Water Quality Fund 140	FY's 01/02 & 02/03 Periodically		Compliance and financial.	Completed 6/28/05.	Exceeded 5% spending cap. Has been corrected.
	State of CA, State Controller's Office, Dept. of Finance	HBP, Watershed Division 15 Selected Grants	Periodic	N/A	Compliance with Props. 12, 13 & 40.	Completed with kudos from State.	None.
	Caltrans (John Warrick)	Dave Dixon Memorial Materials Lab	Biannual	N/A	In-house certification program.	Completed 4/11/05.	None.
	Bureau of State Audits on behalf of Dept of Parks & Recreation	Watershed- Huntington Beach Storm Drain – Use of Prop. 12 and 40 and/or General Fund Grants	Periodically	N/A		Survey completed 11/04.	None.
	State Board of Corrections	60-bed Juvenile Hall Expansion			Expenditure of funds per terms of grant agreement.	Audit completed. Awaiting final report.	No findings.
	Conrad & Associates (selected by OCTA)	Newport Blvd. Phase I (6 projects)			Financial & Compliance.	Audit completed. Awaiting final report.	No findings.
	Thompson, Cobb, Bazilio & Assoc.	Transportation Development Act Article 3 Program	Annually	FY 1999- 2000 & 2000-01	Financial and compliance.	Audit completed.	No findings.
	John Warrick of CalTrans	Materials Lab	Biannual	4/11/05	Observation of in-house certification program.	Planned, but not started.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Resources and Development Management Department (Cont'd.)	Donelle Kraewski of State of CA Dept. of Health Services	Materials Lab	Periodic	6/28/05	Inspect radio active material license documentation.	Planned, but not started.	
	Sam Kianfar of CalTrans	Materials lab	Annually	6/15/05 – 6/16/05	Calibrate equipment.	Audit completed.	No findings.
	CA Dept. of Parks & Recreation	Park grants	Periodic	6/6/05	Grant compliance.	Planned, but not started.	
Sheriff-Coroner	KPMG	RNSP	1/1/01- 12/31/02	N/A	Compliance audit.	Audit completed. Draft report issued in 3/05. Response submitted to draft. Final report pending.	None.
	State Controller's Office	SB90 Claim for Housing Sexually Violent Predators.	7/1/00- 6/30/03	N/A	Grant compliance audit.	Response to draft report submitted in 7/05. Final report pending.	Claims were reduced by \$148,414 due to: Ineligibility of costs based on SCO revised interpretation of Parameters and Guidelines and retroactive implementation.
	Los Angeles High Intensity Drug Trafficking Agency (LA- HIDTA)	RNSP (Regional Narcotics Suppression Program)	1/1/04 – 12/31/04 Annually	8/04	Program review of HIDTA Grant	Planned, but not started.	
	Macias, Gini & Co., LLP	Tobacco Settlement Revenue (TSR)	7/1/04- 6/30/05	12/04	Agreed-upon procedures.	Planned, but not started.	
	Macias, Gini & Co., LLP	State Alien Criminal Assistance Program	FYE 6/30/05	New Program	Part of Single Audit	In process.	
	Macias, Gini & Co., LLP	CA Cold Hit Program	FYE 6/30/05 Annually	FYE 6/30/04	Expenditures and compliance with the Grant.	Not started.	
	Macias, Gini & Co., LLP	Local Forensic Lab Improvement Program	FYE 6/30/05 Annually	FYE 6/30/04	Expenditures and compliance with the Grant.	Not started.	
	Macias, Gini & Co., LLP	Regional Law Enforcement Training	FYE 6/30/05 Annually	FYE 6/30/04	Expenditures and compliance with the Grant.	Not started.	

Department/ Agency	Name of Third Party Auditor	Center Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Sheriff-Coroner (Cont'd.)	State Controller's Office	County Collections and Accounting of Court Revenues	7/1/98 – 6/30/03	N/A	Compliance to Government Code	Response to draft report submitted in 4/05. Final report pending.	
	Department of Homeland Security	Homeland Security Grant – Part I and Part II	12/1/2003 – September 30, 2004	N/A	Grant compliance audit	Fieldwork completed. Waiting for the issuance of the draft audit report.	
	Department of Homeland Security	Domestic Preparedness Grant	5/1/2002 – September 30, 2004	N/A	Grant compliance audit	Fieldwork completed. Waiting for the issuance of the draft audit report.	
Social Services Agency		Financial & Administration					
	Macias, Gini & Co., LLP	Promoting Safe and Stable Families	FY 2003/04	Unknown	Part of Single Audit	Completed 2/28/05.	None.
	Macias, Gini & Co., LLP	Temporary Assistance for Needy Families (TANF)	FYE 6/30/05	FYE 6/30/2002	Part of Single Audit.	In process.	
	Macias, Gini & Co., LLP	Medicaid Assistance Program	FYE 6/30/05	FYE 6/30/02	Part of Single Audit	In process.	
	Social Security Administration	Conserved Funds			Accounting files and Program case files. Visiting sites to see some of the children	In Progress. SSA/ Children & Family Services staff met with Social Security auditors on 4/25/05 and 5/5/05 regarding Social Security moneys held in trust for minors.	
	Macias, Gini & Co., LLP	Single Audit for FYE 6/30/05. CalWORKs/TANF and MediCal	6/30/05 Tri-annual		Every year as part of Single Audit, the County's independent auditor picks one or two SSA programs to audit as Major Programs. Every program with more than \$3M in federally funded expenditures must be audited at least once every three	Planned, but not started.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Social Services Agency (Cont'd.)		<u>Financial & Administration</u> (Cont'd.)					
	California Department of Social Services/Social Security Administration	Interim Assistance Reimbursement Program	December 2004		Desk audit of our participation in the Interim Assistance Reimbursement (IAR) program. HCA and SSA both share the responsibility for the IAR program. SSA initially receives Social Security checks for individuals in the program and then reimburses HCA for moneys spent by HCA for the care of these individuals. The information requested is for 12 cases from December 2004. In April, SSA provided this information to HCA for submission to Social Security.	In Progress.	
		<u>Children & Family Services</u>					
	Juvenile Justice Commission	Orangewood Children's Home (OCH) Group Home Facility	6/16/04	2003	Inspection of OCH Group Home Facility. A review of the facility, policies, and operational procedures.	Annual reports are completed by the JJC. Report pending.	1. Deficiency with storage of dish washing chemicals. Corrected. JJC walked through again to confirm. 2. Concerns raised about Medical Unit, Health Insurance Portability and Accounting Act (HIPAA) and confidentiality. 3. JJC Commission members completed a follow-up visit to OCH Medical Unit and determined that youth in the waiting room are not privy to confidential information.
	Juvenile Justice Commission	Orangewood Children's Home (OCH)	2005-06 Annual	6/16/04	Unescorted walk-through of facility with Commission staff as deemed appropriate.	Planned, but not started.	
	Community Care Licensing	Orangewood Children's Home (OCH)	2005-06 Annual	7/17/02	Unannounced walk-through of facility, review of youth and personnel training records.	Planned, but not started.	
	Department of Health Services	Orangewood Children's Home	Oct. & Dec. 2004	2003	Environmental Health Care Inspection of entire facility.	Report pending.	

Department/ Agency	Name of Third Party Auditor	(OCH) Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Social Services Agency (Cont'd.)		<u>Children & Family Services (Cont'd.)</u>					
	Federal Administration for Children and Families	Federal Adoption and Foster Care Analysis and Reporting System (AFCARS) audit.	6/04	As required.	AFCARS is a Federal tracking system to record family identifiers, and child placement identifiers, etc. Four Orange County cases have been selected for compliance review.	Report from ACF pending	Orange County's four cases did well in the audit with no major issues or themes related to non-compliance.
	Community Care Licensing (CCL)/CA Dept. of Social Svcs.	Adoption	2005-2006	6/25/03	Unannounced site visit to audit compliance with adoption licensing requirements.	Planned, but not started.	
	CA Dept. of Social Svcs. (CDSS)	Wraparound OC	2005-2006	Initial review	To assess OC implementation of SB163 Wraparound.	Planned, but not started.	
	Macias, Gini & Company LLP	Foster Care Eligibility – review current eligibility.	2005-2006	January 2004	Randomly selected cases from Case Data System CDS 608 report. Typically 60 cases reviewed.	Planned, but not started.	
	Department of Health and Human Services	Foster Care Eligibility	June 2006	June 2003	Random selection based on state Adoptions and Foster Care Analysis and Reporting Systems (AFCARS). Title IV-E Audit.	Planned, but not started.	
	Social Security Administration	Social Security Income/Retirement, Survivors, and Disability Insurance (SSI-RSDI).	April 2004 – March 2005	March 2002	CFS-Resource Development Management RDM/SSA Financial/Foster Care Eligibility - review of records, telephone interviews and site visits to caregivers with eligible children.	In progress. Audit on site visit 5/10/05.	
	Judicial Council: Judicial Review & Technical Assistance Project (JRTA)	Juvenile Dependency Court/ Court Programs	March 2005		Title IV-E – Review of Juvenile Court cases (findings/orders on minute orders) to determine if appropriate judicial orders were made to support Title IV E funding.	In process. Positive comments made regarding compliance progress. Very pleased regarding findings in cases reviewed. Diligent efforts to ensure Bench Officers make necessary findings and stipulations reflect the required Title	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	IV-E findings. Status As of 6/30/05	Significant Findings
Social Services Agency (Cont'd.)		<u>Children & Family Services (Cont'd.)</u>					
	Judicial Council	Juvenile Court Dependency cases for Title IV-E compliance.	July 2004 February 2005		Random review of Juvenile Court Dependency cases for Title IV-E compliance.	Report issued 5/18/05.	Compliance figures greatly improved. Recommendations: <ul style="list-style-type: none"> • Make recommended pre-permanency hearing findings at disposition hearing. • Ensure timely case reviews. • Ensure reasonable efforts to prevent removal finding is made at detention. • Revise permanent plan finding to delete long term foster care as a permanency option and replace it with a specific placement and an identified goal.
	Orange Fire Department	Orangewood Children's Home	2005-06 Annual	2/11/05	Fire/Safety inspection of facility.	Planned, but not started.	
	CA Dept. of Social Services (CDSS) - CSOB	2003 Relative Assessment Review	2/05		Review results of an agreement between ACF & CDSS. CDSS is seeking reimbursement of federal funds.	Onsite review. Completed cases will go through three review levels. 1. CDSS-COSB 2. CDSS – Eligibility 3. Administration for Children and Families (ACF). Report pending.	Reviewers indicated majority of nine cases were in compliance; however, first review will be completed at CDSS and two other review levels will follow.
	Southern California Edison	Orangewood Children's Home	6/16/05		Lighting fixtures and electrical energy usage	Pending.	
	Children's Research Center (CRC)	Structured Decision Making (SDM)	April 2005		Site visit 5/11~12, 2005.	Completed. Report dated 5/25/05.	Recommendations: <ul style="list-style-type: none"> • Clarify with staff that the "Assessment Date" should be the date of the initial face-to-face contact and if other safety concerns are identified complete a subsequent safety assessment. • Increase completion rates for Reunification Reassessments and Family Strengths and Needs Reassessments. • Clarify with staff the documentation requirements on the Reunification Reassessment. • Encourage use of Family Strengths and Needs Reassessment results to focus court report narrative to reflect priority

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
							needs and updated case plan.
Social Services Agency (Cont'd.)		<u>Adult Services & Assistance Programs</u>					
	Dept. of Health Services	Medi-Cal Payment Accuracy Measurement project.	April 2004 - May 2004		Compliance review. 100 randomly selected cases to be reviewed: 50 for Medi- Cal Fee and 50 Medi-Cal Managed Care cases.	Pending.	
	California Department of Social Services (CDSS)	Food Stamps	FY 2004	5/94	Review compliance for Food Stamp case processing.	Results pending. Audit completed 9/23/04.	
	Department of Health Services (DHS)	Medi-Cal Informal MSR Review	May 2005		Evaluate processing MSR.	Results pending. Review completed 9/23/04.	
	Department of Health Services (DHS)	Medi-Cal	April 2004 – September 2004		Random sample of Medi-Cal Assistance only cases. Evaluates the accuracy of the County's actions in each case chosen for review.	February 17, 2005	89 cases were reviewed and 99% were found to be correct.
	Department of Health Services (DHS)	Medi-Cal	10/05-9/06	3/05	Review compliance with Program eligibility requirements.	Planned, but not started	
	State Department of Social Services	Medi-Cal	6/04	N/A	California Health and Disability Prevention (CHDP) Gateway compliance for Medi-Cal case processing.	Planned, but not started	
	Macias, Gini & Company LLP	Medi-Cal	7/03-7/06	9/99	Allowable activities: allowable costs/cost principles; Cash Management; Eligibility; Equipment and Real Property Management; Procurement and Suspension and Debarment; Real Property Acquisition/ Relocation Assistance reporting on statement of expenditures, cash transactions and	Planned, but not started	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
					reimbursement.		
Social Services Agency (Cont'd.)		<u>Adult Services & Assistance Programs</u>					
	CA Dept. of Aging & Dept. of Health Svcs.	Multipurpose Senior Services Program (MSSP)	11/02 – 11/04 Every 2 yrs.	11/02	Program compliance.	Completed January 31, 2005.	Corrective Action Plan (CAP) required and submitted on March 1, 2005. No recoupment.
	San Francisco Regional Office of the Federal Soc. Sec. Admin.	Interim Assistance reimbursement	10/04-9/05		Review compliance with Interim Assistance reimbursement processes.	Planned, but not started.	
		<u>Program Integrity</u>					
	CDSS Civil Rights Bureau	Social Services Agency	3/05		Civil rights compliance review.	Review conducted 2/28/05-3/2/05. Pending report.	Facility inspections were exceptional with some minor infractions noted at two locations. Division 21 regulation training recommended to address gaps in staff's awareness, understanding, and application of requirements.
		<u>Family Self- Sufficiency</u>					
	Berkeley Policy Associates	CalWORKs—60 Month Time Limits Study	Fall 2003 - Fall 2005.		CalWORKs – 60 Mos. Time Limits Study to evaluate: Participant understanding of time limits (TL); Participant preparation prior to TL; Characteristics of TL participants; Effects of TL on families; County preparation and implementation of TL; Effects on CalWORKs caseload; and Effects on Child Welfare Outcomes.	In Progress. Site visit and staff interviews conducted 9/17/03 – 9/19/03. Client Focus groups conducted 10/21/03. Worker surveys completed 10/23/03. Data currently sent on a monthly basis.	
	CA Dept. of Education, Nancy Pellom	CalWORKs – Child Care Error Rate Study	6/04		Reviewing program per requirements of SB 1104.	In process.	
	Department of Public Social Services	Refugee Cash Assistance	7/05	3/03	Accuracy of payment and eligibility determination.	Planned, but not started.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 6/30/05	Significant Findings
Treasurer-Tax Collector	Moreland & Associates, Inc.	SB 866 Annual Compliance Audit	12/31/04-06 (3 years) Annual	12/31/04	Perform a compliance attestation examination of the County Treasury's compliance with the requirements presented in the CA Gov. Code (GC) Sections 27130 - 27137 and related provisions of the Orange County Treasurer Investment Policy Statement for the Treasury Funds.	Completed. Report dated 4/13/05.	Findings: 1. Signed Certificate of Compliance on file. 2. Statement of Economic Interest (Form 700) on file.
	Moreland & Associates, Inc.	Agreed-upon Procedures Engagement Audit of the Treasurer's Office.	4/1/05~06 (2 years) Quarterly	12/31/04	Perform quarterly agreed- upon procedures engagement in regard to the Orange County Treasurer's compliance with CA Government Code and the Investment Policy Statement.	In progress.	
	Moreland & Associates, Inc.	Agreed-upon Procedures Engagement Audit of the Treasurer's Office.	1/1/05 to 3/31/05	12/31/04	Perform quarterly agreed- upon procedures engagement in regard to the Orange County Treasurer's compliance with CA Government Code and the Investment Policy Statement.	Completed. Report dated 4/13/05.	<i>(In the 3/31/05 External Audit Activity Report, findings for this audit were reported in error by the Treasurer's Office. There were no significant findings for this audit.)</i>
	Moreland & Associates, Inc.	Agreed-upon Procedures Engagement Audit of the Treasurer's Office.	4/1/05 to 6/30/05	3/31/05	Perform quarterly agreed- upon procedures engagement in regard to the Orange County Treasurer's compliance with CA Government Code and the Investment Policy Statement.	In progress.	