

EXECUTIVE SUMMARY OF EXTERNAL AUDIT ACTIVITY

For the Quarter Ended 12/31/05

<u>SUMMARY ACTIVITY</u>	
Total Audits Prior Quarter (9/30/05)	124
Additions: In Progress	9
Planned	1
Deletions: Canceled	5
Completed	22
Total Audits Current Quarter (12/31/05) (In Progress, Planned, and/or Completed this Quarter)	<u>107</u>

Results for the Quarter:

Audits Completed – Will be Deleted Next Quarter **20**

New Findings/Issues Reported by the Departments **4**
(4 findings from 3 audits)

Material Issues:

Prior Quarter (pending completion): **3**

1. A/C, CEO, Probation, & Sheriff, pgs. 1, 4, 10 & 12 of report. In the *Trial Court* audit, State Controller found ten findings totaling \$927,624 owed to the State for ineligible payments made by the Courts. As of 12/31/05, waiting for final report.
2. A/C – Property Tax, p. 3 of report. State auditor found a \$232,301 overcharge in supplemental costs to the Educational Revenue Augmentation Fund. Final report issued 10/7/05. Audit will be deleted next quarter.
3. HCA – Behavioral Health, p. 6 of report. State auditors found an estimated \$200,000 of unallowable costs for the *Substance Abuse and Crime Prevention Act*. As of 12/31/05, HCA has not received the audit report.

Current Quarter **0**

Total Material Issues **3**

EXTERNAL AUDIT ACTIVITY
Quarterly Status Report
1st Quarter FY 05-06

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

The schedule below identifies the status of external audits as of 12/31/05, 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 12/31/05	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.	Audit completed and report issued 10/3/05.	None.
		<u>Collections</u>					
	State of California	Trial Court.	7/1/98 - 6/30/03	December 1999	Court Revenues	Draft of report received 3/16/05. Response sent 4/5/05. As of 12/31/05 still waiting for final audit report. (This audit is also noted under the Sheriff, CEO, and Probation.)	There were ten findings for \$927,624 owed to State. A/C deferred to other departments on findings since the A/C's main responsi- bility was the accuracy and reasonableness of the figures provided by other depts. in remitting the appropriate amounts to the State. CEO and Sheriff did not concur with findings. Probation concurred with two findings and did not concur with one. We do not have the response from the courts.
		<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	SB90 mandated costs parameters and guidelines.	In process. Draft report expected 2/06. (Audit also listed under HCA.)	Final hearing to adopt new parameters and guidelines for claiming program costs held 12/05. State revising the audit report to reflect addition of new costs.

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.

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	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	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. All funds, GAAP.	Audit completed and report issued 12/2/05.	None.
	Macias, Gini & Company LLP	Tobacco Settlement Revenue (TSR) Fund	FYE 6/30/05	FYE 6/30/04	Agreed upon procedures	In process. (This audit also noted under HCA & Sheriff.)	
	State Controller's Office (SCO)	Absentee Ballots Chapter 77/78 Registrar of Voters (ROV)	FY 01-02, 02-03	First Time	SB90 Mandated Costs Parameters & Guidelines	As of 12/31/05, still waiting for final report. (This audit is also noted under ROV.)	The County claimed \$1,012,069 for FY 01-02 & 02-03 and of that amount \$6,348 is unallowable. The unallowable costs occurred because the County overstated salaries, benefits, and indirect costs and understated offsetting revenues. The State paid the County \$83,012 and still owes the County \$922,709 in allowable costs. Registrar of Voters (ROV) filed amended claims to recover additional allowable costs discovered during the audit.
	State Controller's Office (SCO)	SB90 Mandate-Peace Officer's Bill of Rights (POBAR)	FY 01-02 to FY 03-04	First audit of program	SB90 Mandated Costs Parameters and Guidelines. (Consolidated claims include costs from Sheriff, DA, and Probation.)	In process. Entrance conference held 11/5/05. (This audit also noted under DA, Probation, and Sheriff.)	
	State Controller's Office (SCO)	SB90 Mandate Prisoner Parental Rights (Sheriff Claim)	FY 01-02 to FY 04-05	12/02 for FY 99- 00 & FY 00-01	SB90 Mandated Costs Parameters and Guidelines.	In process. Entrance held 12/12/05. Fieldwork will not begin until 5/06 per agreement with SCO and Sheriff. (This audit also noted under Sheriff.)	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Auditor-Controller (Cont'd.)		General Ledger					
	Conrad & Associates (for OCTD)	OCTD	6/30/05 Annual	6/30/04	Audit of: -Work performed by General Ledger for OCTD work. -Fees charged by General Ledger for the OCTD work.	Audit completed.	None.
		Property Tax					
	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	Final report issued 10/7/05.	Finding related to A-C: 5% supplemental fee on penalties and costs not charged to the Redevelopment Agency (RDA) resulting in overcharge (\$232,301) to Educational Revenue Augmentation Fund (ERAF). Finding related to Assessor: RDA values not substantiated and not recorded in project tax rate areas.
	State Controller's Office Division of Audits	Property Tax Apportionment & Allocation Systems	7/1/02- 6/30/05 Tri-annual	7/1/99- 6/30/02	Property Tax Apportionment and Allocation Systems	Fieldwork in progress. Expect to complete in January.	
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).	Audit planned for FY 04/05, but did not take place. Audit now planned for FY 05/06, but not started.	
	Department of Child Support Services (DCSS)	Annual Performance Review	Annually	9/30/05	To ensure compliance with state and federal program regulations.	Planned for FY 05/06, but not started.	
	Macias, Gini & Company LLP	County Single Audit – Federal Programs	Every 3 years	2001	To ensure compliance with Child Support Program requirements.	Planned for FY 05/06, 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.						

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
County Executive Office	State of California	Trial Court and other areas.	Possibly 7/1/98 - 6/30/03	Possibly Dec. 1999	Court Revenues	Draft of report received 3/16/05. Response sent 4/5/05. Waiting for final audit report. (This audit is also noted under the A/C, Sheriff, and Probation.)	There were ten findings for \$927,624 owed to State. CEO and Sheriff did not concur with the findings. Probation concurred with two findings and did not concur with one. Waiting for response from the courts.
	Not known at this time.	Public Guardian's Office	Unknown	N/A	Full management.	Planned for FY 05/06, but not started.	
District Attorney	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 for FY 05/06, 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 for FY 05/06, but not started.	
	Macias, Gini & Co., LLP	Vertical Prosecution Program (MNVP, CCPP, CAVP, SRVP) Grant No. VP 04-02- 0300	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 for FY 05/06, but not started.	
	Macias, Gini & Co., LLP	CALGANG Enhancement Project	FYE 6/30/05 Annually	FYE 6/30/04	Expenditures and grant compliance.	Not started.	
	State Controller	SB90 Mandate – Peace Officer's Bill of Rights (POBAR)	FY 01-02 to FY 03-04	First audit of program	SB90 Mandated Costs Parameters and Guidelines. (Consolidated claims include costs from Sheriff, DA, and Probation.)	In process. Entrance conference held 11/5/05. (This audit also noted under A-C, Sheriff, and Probation.)	
Health Care Agency		Behavioral Health					
	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 report received.	None.

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Health Care Agency (Cont'd.)		<u>Behavioral Health (Cont'd.)</u>					
	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.	Report issued 1/14/02. This audit is performed at the beginning of the year to ensure the Mental Health Plan and maintenance of effort is acceptable.	None.
	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. As of 12/31/05, still waiting for report. (This audit is also noted under A/C.)	Findings include disallowed costs for medication monitoring in 01-02, totaling \$1.3M. Medication monitoring costs are now allowable under the new parameters and guidelines approved by the Commission on State Mandates on 12/9/05. The SCO's work papers will need to be revised to reflect this before they issue a draft report.
	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. As of 12/31/05, still waiting for report.	The County is contesting one of the audit findings dealing with contract provider (PacifiCare) units of service. 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 pay back approximately \$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	This became a review meeting instead of an audit. No report will be issued.	None.
	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	Report received 4/18/05.	None.

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Health Care Agency (Cont'd.)		<u>Behavioral Health (Cont'd.)</u>					
	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	Report issued 8/25/05.	None.
	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 next year.	
	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. As of 12/31/05, still waiting for report.	Findings include disallowed costs for medication monitoring in 01-02, totaling \$1.3M. Medication monitoring costs are now allowable under the new parameters and guidelines approved by the Commission on State Mandates on 12/9/05. The SCO's work papers will need to be revised to reflect this before they issue a draft report.
	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. As of 12/31/05, still waiting for draft report.	Exit conference held. Two potential findings, one related to unallowable costs and another related to contract accruals affecting two fiscal years. Estimate of unallowable costs is \$200,000.
	State Department of Mental Health (DMH)	Short-Doyle Medi-Cal Cost Report	2000-2001 Annually	2004	Cost Report Audit	Exit conference held 12/05. Waiting for final audit report.	
	State Department of Mental Health (DMH)	Short-Doyle Medi-Cal Cost Report	2001-2002 Annually	2005	Cost Report Audit	Entrance meeting held 12/22/05. Fieldwork to begin 2/06.	
		<u>CEO</u>					
	Macias, Gini & Company	Tobacco Settlement Revenue	FY 2004- 2005	FY 03/04	Financial Review	In process. (Audit also noted under A- C and Sheriff.)	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Health Care Agency (Cont'd.)		<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	2002 for 7/1/98 to 6/30/01	Financial and program review.	Audit completed 7/13/05. As of 12/31/05, still waiting for final audit report.	None.
		<u>Medical & Institutional Health Services</u>					
	Conrad & Associates	Emergency Medical Services Fund (EMSF)	FY 2000/01 - 2003/04	New	Financial Review	In process.	
	Conrad & Associates	Emergency Medical Services Fund (EMSF)	FY 2004 - 2005	2005	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. In process.	
		<u>Public Administrator</u>					
		No audits in progress.					
		<u>Public Health</u>					
	Macias, Gini & Company	Child Health & Disability Prevention (CHDP) – Medical	FY 2004- 2005	FY 02/03	For Single Audit	In process.	
	Macias, Gini & Company	CHDP Foster Care - Medical	FY 2004- 2005	FY 02/03	For Single Audit	In process.	
	Macias, Gini & Company	CA Children's Svcs. (CCS) - Medical	FY 2004- 2005	Unknown	For Single Audit	In process.	
	Macias, Gini & Company	Targeted Case Management (TCM)	FY 2004- 2005	New	For Single Audit	In process.	
	Macias, Gini & Company	Medi-Cal Admin. Activities (MAA)	FY 2004- 2005	New	For Single Audit	In process.	
	Dept. of Health Services	Medi-Cal Admin. Activities (MAA)	FY 2003- 2004	New	Financial and Program Review	Completed 11/8/05. Waiting for final audit report.	None.

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Health Care Agency (Cont'd.)		<u>Public Health (Cont'd.)</u>					
	Department of Health Services	Women, Infants and Children Program (WIC)	FY 2002- 2004	Unknown	Program Audit Only	Report received 11/23/05.	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. No significant findings.
	Office of Inspector General	CHDP and CCS (CA Children's Services)	FY 2003- 2004	Unknown	Program review of Skilled Professional Medical Personnel (SPMP)	Planned for FY 04/05. (<i>HCA says this audit will not take place. We will delete it next quarter.</i>)	
	Macias, Gini & Company	Public Health Preparedness & Response to Bioterrorism	FY 04-05	New	For Single Audit.	In process.	
Housing and Community Services Dept.		<u>Orange County Housing Authority</u>					
	Macias, Gini & Company LLP	Section 8 Cluster Type A Program	FYE 6/30/05 Annually	FY 03/04	Agreed upon procedures.	In process.	
	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.	
	HUD	Section 8 VMS	11/1/03 to 10/31/04	First Time	HUD review of Section 8 VMS and financial activity.	Fieldwork complete. Waiting for report.	
		<u>Special Programs Administration</u>					
	Employment Development Dept.	Workforce Investment Act	FY 05/06 Annually	FY 04/05	Program and Fiscal Monitoring	Planned for FY 05/06, but not started.	
	Employment Development Dept.	Workforce Investment Act	FY 04/05	FY 03/04	Program and Fiscal Monitoring	Draft report issued 6/10/05. Waiting for final report.	None.

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Housing and Community Services Dept. (Cont'd.)		<u>Office on Aging</u>					
	Macias, Gini & Company LLP	OoA/Aging Cluster	FYE 6/30/05 Annually	FY 00/02	Single Audit.	In process.	
	CA Dept. on Aging	Office on Aging	FYs 01/02 to 03/04	FY 00/01	Program and fiscal monitoring.	Audit scheduled for 1/06.	
		<u>Orange County Development Agency</u>					
	Macias, Gini & Company LLP	Orange County Development Agency	FYE 6/30/05 Annually	FY 03/04	Financial Statements and compliance.	Audit completed. Report issued 11/23/05.	None.
		<u>Community Advocacy Division</u>					
		No audits in progress.					
Human Resources	No audits in progress.						
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.	Audit completed. Waiting for report.	None.
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.	Completed. Report issued 10/21/05.	None.
	Macias, Gini & Co., LLP	JWA Airport Improvement Program (AIP) Single Audit	FY 04/05 Triennial	6/30/02	Financial audit. Part of Single Audit.	Audit in process.	
Orange County Public Library	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 12/31/05	Significant Findings
Probation	California Dept. of State Controller	Trial Court Accounting	4 Years	Summer 1999	Money due State of California	Received draft report. As of 12/31/05, still waiting for final audit report. (This audit is also noted under A/C, CEO, and Sheriff.)	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	Part of annual single audit of federal funding.	In process.	
	Macias, Gini & Co., LLP	Targeted Case Management (TCM)	FY 04/05 Annual	FY 02/03 for FY 01/02	Part of annual single audit of Federal Funding. The auditor has elected to audit FY 04/05 TCM (coordinated by HCA for all participating depts. in the County of Orange).	<i>(Macias & Gini informed us they are not auditing TCM at Probation. This audit will be deleted next quarter.)</i>	
	State Controller	SB90 Mandate – Peace Officer’s Bill of Rights (POBAR)	FY 01-02 to FY 03-04	First audit of program	SB90 Mandated Costs Parameters and Guidelines. (Consolidated claims include costs from Sheriff, DA, and Probation.)	In process. Entrance conference held 11/5/05. (This audit also noted under A-C, DA, and Sheriff.)	
Public Defender	State Controller	Proposition 36	FY 01-02 Annually	5/05	Reimbursement claims for FY 2001-02	As of 12/31/05, report pending.	
	Macias, Gini & Co., LLP	OCJP Grant #V102010300	FYE 6/30/05	FYE 6/30/04	Expenditures and grant compliance.	Not started.	
Registrar of Voters	State Controller	SB90 Mandate- Absentee Ballots	2001-2002 2002-2003	First Time	Absentee Reimbursement Claim.	Final audit report received. (This audit is also listed under A-C.)	The County claimed \$1,012,069 for FY 01- 02 & 02-03 and of that amount \$6,348 is unallowable. The unallowable costs occurred because the County overstated salaries, benefits, and indirect costs and understated offsetting revenues. The State paid the County \$83,012 and still owes the County \$922,709 contingent upon available appropriations.

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Resources and Development Management Department	Conrad & Associates (selected by OCTA)	Newport Blvd. Phase I (6 projects)			Financial & Compliance.	Audit completed 6/05. Final report received.	No findings.
	John Warrick of CalTrans	Materials Lab	Initial witness test for certification.	N/A	Witness testing, Materials Laboratory Employee Performing CTM 231	Certification received. There will be no audit report.	No findings.
	Macias, Gini & Co., LLP	Orange County Transit Authority Measure M Funds	Annual	2005	Revenue sources and expenditures for FY 04-05. OCTA is administrator of the funds.	Questionnaire was returned 7/12/05. <i>(OCTA determined an audit was not necessary at this time. This audit will be removed next quarter.)</i>	
	Donelle Kraewski of State of CA Dept. of Health Services	Materials Lab	Periodic	6/28/05	Inspect radio active material license documentation.	Planned for FY 05/06, but not started.	
	CA Dept. of Parks & Recreation	Park grants	Periodic	6/6/05	Grant compliance.	Planned for FY 05/06, but not started.	
Sheriff-Coroner	KPMG	RNSP	1/1/01- 12/31/02	N/A	Compliance audit.	Final report issued in 12/05.	None.
	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	Fieldwork scheduled for 1/06.	
	Macias, Gini & Co., LLP	Tobacco Settlement Revenue (TSR)	7/1/04- 6/30/05	12/04	Agreed-upon procedures.	Fieldwork in progress. Expect to issue 3/06. (Audit reported under HCA and A-C also)	
	Macias, Gini & Co., LLP	State Alien Criminal Assistance Program	FYE 6/30/05	New Program	Part of Single Audit.	In process.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Sheriff-Coroner (Cont'd.)	Macias, Gini & Co., LLP	CA Cold Hit Program	FYE 6/30/05 Annually	FYE 6/30/04	Expenditures and compliance with the Grant.	<i>(Grant did not exist for 04-05; therefore, this audit will be deleted next quarter.)</i>	
	Macias, Gini & Co., LLP	Local Forensic Lab Improvement Program	FYE 6/30/05 Annually	FYE 6/30/04	Expenditures and compliance with the Grant.	<i>(Grant did not exist for 04-05; therefore, this audit will be deleted next quarter.)</i>	
	Macias, Gini & Co., LLP	Regional Law Enforcement Training Center	FYE 6/30/05 Annually	FYE 6/30/04	Expenditures and compliance with the Grant.	<i>(Grant did not exist for 04-05; therefore, this audit will be deleted next quarter.)</i>	
	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. Waiting for final audit report. (This audit is also under A/C, CEO, and Probation.)	SCO determined that the State Court made ineligible payments of \$530,485 to the Department that should be returned to the State. The County and Department do not concur with the finding and responded to the draft report as such.
	Department of Homeland Security	Homeland Security Grant – Part I and Part II	12/1/2003 – September 30, 2004	N/A	Grant compliance audit. This is a national audit of programs in multiple states.	Fieldwork completed. Report is delayed. One report will be issued for the nationwide program.	Federal Auditor anticipates no significant report findings for Orange County.
	Department of Homeland Security	Domestic Preparedness Grant	5/1/2002 – September 30, 2004	N/A	Grant compliance audit. This is a national audit of programs in multiple states.	Fieldwork completed. Report is delayed. One report will be issued for the nationwide program.	Federal Auditor anticipates no significant report findings for Orange County.
	State Controller	SB90 Mandate – Peace Officer's Bill of Rights (POBAR)	FY 01-02 to FY 03-04	First audit of program	SB90 Mandated Costs Parameters and Guidelines. (Consolidated claims include costs from Sheriff, DA, and Probation.)	In process. Entrance conference held 11/5/05. (This audit also noted under A-C, DA, and Probation.)	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Sheriff-Coroner (Cont'd.)	State Controller's Office (SCO)	SB90 Mandate Prisoner Parental Rights (Sheriff Claim)	FY 01-02 to FY 04-05	12/02 for FY 99- 00 & FY 00-01	SB90 Mandated Costs Parameters and Guidelines.	In process. Entrance held 12/12/05. Fieldwork will not begin until 5/06 per agreement with SCO and Sheriff. (This audit also noted under A-C.)	
	Orange County Transit Authority (OCTA)	Law Enforcement Contract	7/1/05 – 6/30/06	N/A	Contract compliance audit. (Selected as part of OCTA's audit plan based on contract materiality.)	Entrance conference held 1/06. Fieldwork in progress.	
	National Institute of Justice	To be determined, up to a maximum of four grants.	TBD	N/A	Financial audit, claiming compliance	Pending – informal contact by NIJ announcing intent to begin audit(s) in 1/06. No entrance conference scheduled at this time.	
Social Services Agency		<u>Financial & Administration</u>					
	Macias, Gini & Co., LLP	Temporary Assistance for Needy Families (TANF)	FYE 6/30/05	FYE 6/30/02	Part of Single Audit.	In process.	
	Macias, Gini & Co., LLP	Medi-Cal (previously listed as Medicaid Assistance Program)	FYE 6/30/05	FYE 6/30/02	Part of Single Audit	In process.	
	Social Security Administration	Conserved Funds	4/30/05	FYE 2002	Accounting files and Program case files. Visiting sites to see some of the children	Report was issued on 7/20/05. Children and Family Services responded to findings on 10/25/05.	Identified some payee issues and recommended more oversight to ensure correct payment. Incorrect payments totalled \$68,000.
	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 external 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 years.	Planned for FY 05/06, 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 12/31/05	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.	Report issued 6/16/04.	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)	7/19/05 Annual	6/16/04	Unescorted walk-through of facility with Commission staff as deemed appropriate. Questions about program and procedures.	Report of 7/19/05 pending.	No action by Children & Family Services/OCH requested or pending.
	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 for FY 05/06, 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 12/31/05	Significant Findings
Social Services Agency (Cont'd.)		<u>Children & Family Services (Cont'd.)</u>					
	Federal Administration for Children and Families (ACF)	Federal Adoption and Foster Care Analysis and Reporting System (AFCARS) audit.	4/1/03 – 9/30/03	6/10/04	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 issued 11/28/05.	In regards to removal from home dates, in many cases the children were reported to AFCARS as having multiple removals, the reviewers found that the children had never left the care, placement or supervision of the agency. This in turn, often affected the number of placement settings that a child had during the removal episode. There were instances, however, where the number of placements was lower than what was reported to AFCARS due to the State counting placements that were not to be counted for AFCARS reporting purposes.
	CA Dept. of Social Svcs. (CDSS)	Wraparound OC	2005-2006	Initial review	To assess OC implementation of SB163 Wraparound.	Planned for FY 05/06, 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 for FY 05/06, 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. Title IV-E Audit.	Planned for FY 05/06, but not started.	
	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.	Report issued 7/1/05.	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 IV-E findings.
	Orange Fire Department	Orangewood Children's Home	2005-06 Annual	2/11/05	Fire/Safety inspection of facility.	Planned for FY 05/06, but not started.	
	Southern California Edison	Orangewood Children's Home	6/16/05		Lighting fixtures and electrical energy usage	As of 12/31/05 report still pending.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Social Services Agency (Cont'd.)		<u>Children & Family Services (Cont'd.)</u>					
	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). As of 12/31/05 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.
	Grand Jury	OCH/Emergency Shelter/GH	8/15/05 and 8/26/05	7/22/04	Inspection for the buildings and property. Questions about program and procedures.	Reports from the 8/15/05 and 8/26/05 audits still pending.	No areas of concern that required immediate attention. No recommendations for immediate action.
		<u>Adult Services & Assistance Programs</u>					
	Department of Health Services (DHS)	Medi-Cal	10/04-9/06	3/05	Review compliance with Program eligibility requirements.	On-going. No significant findings to date.	
	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 reimbursement.	Planned for FY 05/06, but not started. <i>(This audit will not take place and will be removed from the quarterly report next quarter.)</i>	
	San Francisco Regional Office of the Federal Sec. Sec. Admin.	Interim Assistance reimbursement	10/04-9/05		Review compliance with Interim Assistance reimbursement processes.	As of 12/31/05 report pending.	
	CA Dept. of Social Services (CDSS)	Food Stamps Management Evaluation Review	9/05 Annually	5/94	Review compliance for Food Stamp case processing.	Audit completed 9/29/05. Report pending.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/05	Significant Findings
Social Services Agency (Cont'd.)		<u>Adult Services & Assistance Programs (Cont'd.)</u>					
	Bureau of State Audits	Medi-Cal	Unknown		Review 3 Medi-Cal cases for program compliance.	As of 12/31/05 report pending.	
	State Dept. of Social Services	Food Stamps	10/04 – 9/06	Ongoing	Review compliance with Program eligibility requirements.	Current accuracy rate is 97.4%. Still in process.	
	CA Dept. of Social Services, Fraud Bureau	Food Stamps	Information pending.		IEVS, Early Fraud Referrals and over-issuances processes for Food Stamps, Collection and Intake processes.	Audit rescheduled for 6/06.	
	Office of Inspector General	Medi-Cal	1/04	9/03	15 case review for correctness of program eligibility.	Audit date pending.	
		<u>Program Integrity</u>					
		No audits at this time.					
		<u>Family Self- Sufficiency</u>					
	Berkeley Policy Associates (Hired by CA Dept. of Social Services)	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. SSA was notified by the State that this study will be extended.	
	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 for FY 05/06, 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 12/31/05	Significant Findings
Treasurer-Tax Collector	Moreland & Associates, Inc.	Quarterly Engagement	7/1/05 - 9/30/05 Quarterly	6/30/05	Agreed upon procedures engagement audit.	Audit completed.	None
	Moreland & Associates, Inc.	Annual Compliance Audit	1/1/05 – 12/31/05	9/30/05	Compliance Audit	In progress.	