

**EXECUTIVE SUMMARY OF EXTERNAL AUDIT ACTIVITY**  
**For the Quarter Ended 12/31/07**

<u><b>SUMMARY ACTIVITY</b></u>	
Total Audits Prior Quarter (9/30/07)	<b>104</b>
Additions: In Progress	<b>8</b>
Planned	<b>2</b>
Started and Completed	<b>1</b>
Deletions: Canceled	<b>1</b>
Completed	<b>25</b>
Total Audits Current Quarter (12/31/07)	<b><u>89</u></b>
(In Progress, Planned, and/or Completed this Quarter)	

**Results for the Quarter:**

Audits Completed – Will be Deleted Next Quarter **12**

New Findings/Issues Reported by the Departments **3**  
 (3 findings from 3 audits – pg. 4 of report)

**Material Issues:** (Includes Disallowances over \$100K)

**Current Quarter (new issues):** **3**

1. HCA, pg. 4 of report. The ***SB-90 Seriously Emotionally Disturbed Out-of-State Clients*** revised draft audit report, for FYs 00-01 and 01-02, reported \$508,575 unallowable costs out of \$2,763,988 total claimed by the County. The unallowable costs resulted primarily from the State Auditors claiming that the County claimed ineligible vendor payments for out-of-state residential placement of seriously emotionally disturbed pupils in facilities that are owned and operated for profit. HCA is appealing with the assistance of County Counsel. As of 2/14/08, HCA has not received the final audit report.
  
2. HCA, pg. 4 of report. In the investigation of the ***Medicare Billing for HCA Behavioral Health*** for the period 1/1/90 to 12/31/99, the Office of the Inspector General of the Department of Health and Human Services (HHS) determined that HCA/Behavioral Health used a billing code that did not accurately reflect the services provided. As a result, the County has paid \$7 million back to HHS. Since this investigation, HCA/Behavioral Health has taken significant steps to ensure the correct Medicare billing codes are used. HCA/Behavioral Health reviews 100% of all Medicare claims prior to mailing them. This includes the review of each claim by a Certified Professional Coder and then by a trained Clinical Reviewer to ensure all documentation standards are met. This investigation is

**Material Issues (Cont'd.):**

**Current Quarter (Cont'd.):**

now closed and will be removed from the External Audit Activity report next quarter.

3. HCA, pg. 4 of report. The *SB-90 Seriously Emotionally Disturbed Out-of-State Clients* draft audit report, for FYs 02-03, 03-04, and 04-05, reported \$1,314,646 unallowable costs out of \$6,992,266 total claimed by the County. The unallowable costs are due to the State Auditors claiming that the County claimed ineligible vendor payments for out-of-state residential placement of seriously emotionally disturbed pupils in facilities that are owned and operated for profit. HCA is appealing with the assistance of County Counsel. As of 2/14/08, HCA has not received the final audit report.

**Prior Quarter (old issue pending completion):**

**1**

1. HCA, pg. 4 of report. The *SB-90 Handicapped & Disabled Students* draft audit report, for FYs 02-03, 03-04, and 04-05, reported \$329,862 unallowable costs out of \$30,698,167 total claimed by the County. The disallowances are due primarily to claiming out-of-state case management units included in another claim and claiming ineligible crisis intervention services. HCA will not appeal and has implemented corrective actions as necessary. As of 2/14/08, HCA has not received the final audit report.

**Total Material Issues**

**4**

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2. HCA, pg. 4 of report. In the investigation of the ***Medicare Billing for HCA Behavioral Health*** for the period 1/1/90 to 12/31/99, the Office of the Inspector General of the Department of Health and Human Services (HHS) determined that HCA/Behavioral Health used a billing code that did not accurately reflect the services provided. As a result, the County has paid \$7 million back to HHS. Since this investigation, HCA/Behavioral Health has taken significant steps to ensure the correct Medicare billing codes are used. HCA/Behavioral Health reviews 100% of all Medicare claims prior to mailing them. This includes the review of each claim by a Certified Professional Coder and then by a trained Clinical Reviewer to ensure all documentation standards are met. This investigation is

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**Prior Quarter (old issue pending completion):**

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**Total Material Issues**

**4**

**EXTERNAL AUDIT ACTIVITY**  
**Quarterly Status Report**  
**2nd Quarter FY 07-08**

**Results: Three new material findings were reported to Internal Audit this quarter.**

The schedule below identifies the status of external audits as of 12/31/07, 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 12/31/07	Significant Findings
<b>Assessor</b>	CA State Bureau of Audits	Welfare Exemptions	N/A	N/A	Records related to non- profit hospital exemption status.	Final report received 12/07.	None.
<b>Auditor-Controller</b>		<b><u>CEO/Public Finance Accounting</u></b>					
	Macias, Gini & O'Connell LLP (MGO)	CEO Public Finance Accounting Special Financing Authority (Teeter Program)	FY 6/30/07 Annually	6/30/06	Full financial audit of the operations of the Special Financing Authority.	Issued report dated 11/16/07.	None noted.
		<b><u>Collections</u></b>					
		No audits in progress.					
		<b><u>Financial Reporting</u></b>					
	Macias, Gini & O'Connell LLP	Comprehensive Annual Financial Report	FYE 6/30/07 Annually	FYE 6/30/06	Compliance and Financial. All Funds, GAAP.	Report issued 12/12/07. CAFR issued 12/20/07.	Management letter pending.
	Macias, Gini & O'Connell LLP	Single audit Report OMB A-133 Expenditures	FYE 6/30/07	FYE 6/30/06	OMB A-133 Expenditures of Federal Assistance.	As of 12/31/07, audit is in process. MGO is auditing 8 major programs.	
	Macias, Gini & O'Connell LLP	Tobacco Settlement Revenue (TSR) Fund	FYE 6/30/07	FYE 6/30/06	Agreed upon procedures.	Audit in process as of 12/31/07. (Also under HCA and Sheriff.)	

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 12/31/07	Significant Findings
<b>Auditor-Controller (Cont'd.)</b>		<b><u>Financial Reporting (Cont'd.)</u></b>					
	Macias, Gini & O'Connell LLP	Office of Emergency Services	FYE 6/30/07	FYE 6/30/06	In accordance with OES Grants Audit Program.	Planned for FY 07/08, but not started.	
		<b><u>General Ledger</u></b>					
	Mayer, Hoffman, McCann (purchased by Conrad & Associates)	Orange County Transit Authority (OCTA)	6/30/07 Annual	6/30/06	OCTA funds handled by General Ledger and fees charged by General Ledger for OCTA work.	Complete.	None.
		<b><u>Property Tax</u></b>					
		No audits in progress.					
<b>Child Support Services</b>	Dept. of Health & Human Services (DHHS)	Undistributed collections and fiscal reporting (CS 356). County is being audited as part of Department of Child Support Services.	N/A	N/A	Review to determine if undistributed collections and interest earned on program funds were properly reported as program income.	Exit conference held 11/29/06. As of 12/31/07, still waiting for auditor's draft report.	Interest earned on child support budget advances, in the General Fund, was not credited to department nor reported as program income.
	Federal Auditor Glen Branson	Data Reliability – Annual CS157 State Statistical Report Prepared by Quality Assurance & Program Improvement Team	Prior federal Fiscal Year 05-06  Annually	2/21/07	Review of line items related to cases with support orders, paternity establishment and medical support for the Federal/Annual State Statistical Report (CS157). Line items 1, 2, 5, 6, 9, 2E, 21, and 21a.	In progress; case information packets submitted to auditor on 3/7/07. Still in process as of 12/31/07.	Preliminary audit found no deficiencies. Pending results from auditor.
	Macias, Gini & O'Connell LLP	Child Support Enforcement Program	FYE 6/30/07	FYE 6/30/04	Part of Single Audit.	In process as of 12/31/07.	
	Department of Child Support Services (DCSS), Office of Audits and Compliance	Trust Fund Financial Close-Out Report	N/A	N/A	Review of Trust Fund Reconciliation process and supporting documentation as it relates to the Financial Closeout Report.	Audit report scheduled to be issued in January/February 2008.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/07	Significant Findings
<b>Child Support Services (Cont'd.)</b>	Department of Child Support Services (DCSS)	Annual Performance Review	Annually	12/22/06	To ensure compliance with state and federal program requirements.	Planned for FY 07/08, but not started.	
	Federal Auditor Glen Branson	Data Reliability – Case Information and Reporting on CS157 Report	Annually	3/7/07	To ensure accuracy of data in the computer system and accuracy of the Federal/ Annual State Statistical Reports (CS157).	Planned for FY 07/08, but not started.	
<b>Clerk of the Board of Supervisors</b>	No audits in progress.						
<b>County Clerk-Recorder</b>	No audits in progress.						
<b>County Counsel</b>	No audits in progress.						
<b>County Executive Office</b>	State Dept. of Alcohol & Drug Programs	Substance Abuse & Crime Prevention Act (SACPA) Prop. 36	FY 02/03 ~ 03/04 Annual	Audit Report dated 6/8/06	Proper recording of revenue/expense and allowable costs per SACPA regulations.	As of 12/31/07, waiting for draft report. (Audit also noted under HCA, Probation, and Pub. Defender.)	
	Grant Thornton	Data Center Contract for services provided to the County by ACS State and Local Solutions, Inc.	1 Time	Approx. 10 years ago	Agreed upon procedures to audit expenses, invoices, and timesheets	Fieldwork is complete. Auditors are working on the report.	
	CA State Bureau of Audits	DNA ID Fund (Proposition 69/Fund 12J )	1 Time	First	Total program and proper recording of revenue and expenses.	Final report issued 11/07. (Audit also listed under Sheriff.)	Audit was a component of a statewide audit of local government and courts. There were no significant findings associated with Orange County's management of the DNA Fund.
<b>Dana Point Harbor</b>	No audits in progress.						
<b>District Attorney</b>	State Office of Traffic Safety	DUI Vertical Prosecution	FY 06/07	N/A	Compliance and Fiscal Audit	Report received.	None.
	Macias, Gini & O'Connell LLP	Statutory Rape Vertical Prosecution Program	7/1/06 – 6/30/07	6/30/06	Program audit per state requirements.	Planned for FY 07/08, 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 12/31/07	Significant Findings
<b>Health Care Agency</b>		<b><u>Administration</u></b>					
	Macias, Gini & O'Connell LLP	Tobacco Settlement Revenue (Previously reported under Public Health)	FY 2006-07	FY 05/06	Financial Review/Agreed Upon Procedures related to Tobacco Settlement Funds.	In process as of 12/31/07. (Also noted under A/C and Sheriff.)	
		<b><u>Behavioral Health</u></b>					
	State Controller's Office	SB90 Seriously Emotionally Disturbed (SED) Out of State Clients	FY 00/01~ FY 01/02	2002	Program and SB90 claim audit.	Received revised draft audit report.	Audit disclosed \$508,575 of unallowable costs out of \$2,763,988 total claimed costs. HCA is appealing. (See Executive Summary of External Audit Activity for more information.)
	Department of Health and Human Services (HHS) Office of the Inspector General	Medicare Billing for HCA-Behavioral Health.	1/1/90 to 12/31/99	None	Medicare billing practices and eligibility for payment reimbursement.	The investigation by HHS has been completed.	HCA used an improper billing code. As a result, the County must pay back \$7M to HHS. (See Executive Summary of External Audit Activity)
	State Department of Mental Health (DMH)	Short-Doyle Medi-Cal Cost Report	1998-1999 Annually	2003	Cost Report Audit	As of 12/31/07, 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 1/11/05. If the State accepts the revised cost report, the State could pay back approxi- mately \$400,000 in Medi-Cal revenue.
	State Controller's Office (SCO)	SB90 Handicapped & Disabled Students	FY 02/03 ~ FY 04/05	2005	Program and SB90 Claim Audit	Received draft audit report. Waiting for final audit report.	Audit disclosed \$329,862 of unallowable costs out of \$30,698,167 total claimed costs. HCA will not appeal. (See Executive Summary of External Audit Activity for more information.)
	State Controller's Office	SB90 Seriously Emotionally Disturbed (SED) Out of State Clients	FY 02/03 ~ FY 04/05	2005	Program and SB90 Claim Audit	Received draft audit report.	Audit disclosed \$1,314,646 of unallowable costs out of \$6,992,266 total claimed costs. HCA is appealing. (See Executive Summary of External Audit Activity for more information.)

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/07	Significant Findings
<b>Health Care Agency (Cont'd.)</b>		<b><u>Behavioral Health (Cont'd.)</u></b>					
	Macias, Gini & O'Connell LLP	Alcohol & Drug Program	FYE 6/30/07	FYE 6/30/04	Part of Single Audit	In process.	
	State Department of Mental Health	Early and Periodic Screening, Diagnostic & Treatment (EPSDT) – Olive Crest Treatment Center (contract provider) #00518	FY 05/06	5/1/06	EPSDT Medical Services Billed	As of 12/31/07, audit report pending.	
	State Department of Mental Health	Early and Periodic Screening, Diagnostic & Treatment (EPSDT) – Western Youth Services (contract provider) Provider #00480	FY 05/06	2/4/05	EPSDT Medical Services Billed	As of 12/31/07, audit report pending.	
	State Department of Mental Health (DMH)	Early and Periodic Screening, Diagnostic & Treatment (EPSDT) – South Coast Children's Society (contract provider #00916	FY 05/06 (originally reported as FY 07/08)	2/05	EPSDT Medical Services Billed	As of 12/31/07, audit report pending.	
	State Department of Mental Health (DMH)	Early and Periodic Screening, Diagnostic & Treatment (EPSDT) – Community Service Programs, Inc. (contract provider #00654)	FY 05/06 (originally reported as FY 07/08)		EPSDT Medical Services Billed	As of 12/31/07, audit report pending.	
	State Dept. of Alcohol & Drug Programs	Substance Abuse Crime Prevention Act (SACPA) Prop. 36	FY 02/03 ~ 03/04	5/07	SACPA Financial Reports	Fieldwork in progress as of 12/31/07. (Audit also noted under CEO, Probation and Public Defender.)	

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<b>Health Care Agency (Cont'd.)</b>		<b><u>Behavioral Health (Cont'd.)</u></b>					
	State Department of Mental Health	Early and Periodic Screening, Diagnostic & Treatment (EPSDT) – Kinship Center (contract provider) Provider #00596	FY 05/06	New	EPSDT Medical Services Billed	Audit date 10/15/07. Report pending.	
	State Department of Mental Health	County Mental Health Plan Services	Triennial program review (May- July 2007)	3/7/05 ~ 3/11/05	Behavioral Health Medi-Cal services billed.	Audit date 10/1/07 ~ 10/5/07. Report pending.	
	State Corrections Standards Authority	Mentally Ill Offender Crime Reduction Grant Program (MIOCR)	1/1/07 ~ 12/31/07	N/A	Program Review	Report pending.	
	State Department of Mental Health	Short-Doyle Medi-Cal Cost Report	2002/2003 Annually	2006	Cost Report Audit	Planned for FY 07/08, but not started.	
	State Controller's Office	SB90 Handicapped & Disabled Students	FY 05/06	2006	Program and SB90 Claim Audit	Planned for FY 07/08, but not started.	
	State Controller's Office	SB90 Seriously Emotionally Disturbed (SED) Out of State Clients	FY 05/06	2006	Program and SB90 Claim Audit	Planned for FY 07/08, but not started.	
	State Department of Mental Health	DMH Program Audit	Triennial	FY 04/05	Medi-Cal Compliance	Planned for FY 07/08, but not started.	
		<b><u>Medical &amp; Institutional Health Services</u></b>					
		No audits in progress.					

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Health Care Agency (Cont'd.)		<u>Regulatory Health Services (includes Environmental Health)</u>					
	CA Integrated Waste Management Board	Local Enforcement Agency Audit	8/04 ~ 8/07	10/04	Program and Finance Review	Audit in process.	
	State Controller's Office	Local Oversight Program (LOP)	7/1/04 ~ 6/30/07 Triennial	7/13/05	Financial and Program Review	Planned for FY 07/08, but not started.	
		<u>Public Health</u>					
	Health Resources & Services Admin. (HRSA)	Title I Review (Ryan White Part A)	FY 2002, 2003, & 2004	Unknown	Program Review	Draft report issued. As of 12/31/07, still waiting for final report.	Questioned costs of \$143K related to monitoring of contract provider. County appealed, and the Department of Health and Human Services reversed \$121K of the disallowance. Check for \$121K was received from HRSA in 4/07.
	Dept. of Health Services (DHS)	Regional Nutrition Network	7/1/06 ~ 9/30/06	New	Desk Review - Fiscal	Pending State's response. (HCA reported final report issued last quarter.)	
	Macias, Gini & O'Connell LLP	Women, Infants and Children (WIC)	FYE 6/30/07	FYE 6/30/04	Part of Single Audit	As of 12/31/07, audit still in process.	
	Health Resources & Services Admin. (HRSA)	Ryan White Part B	FY 06/07	Unknown	Financial and Program Review	Entrance meeting held 12/11/07.	
	Dept. of Health Services (DHS)	CA Children Services Division Medical Therapy Units (MTU) Recertifications	Annually	3 <sup>rd</sup> Qtr. 2006	Chart Review and Clinic Inspections	Planned for FY 07/08, but not started.	

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<b>Health Care Agency (Cont'd.)</b>		<b><u>Public Health</u></b> <b>(Cont'd.)</b>					
	Dept. of Public Health Svcs./ State WIC (Women, Infants, Children) Branch	Family Health Division WIC Supplemental Nutrition Education Program	Bi-annually	4/06	Full Program Review – Clinic Observations and Document Review	Planned for FY 07/08, but not started.	
	Dept. of Public Health Svcs./ Network	Family Health Division Nutrition Network Local Incentive Award	Unknown	11/06	Follow-up Contract Manager Visit/Desk Review to Program Compliance Review	Planned for FY 07/08, but not started.	
	CA Dept. of Health Svcs./ TCM Committee	Targeted Case Mgmt. – Public Health Community Nursing	Annually with 30-day notice.	Unknown	Full Program Review	Planned for FY 07/08, but not started.	
	CA Dept. of Health Svcs.	Preventative Health Care for the Aging- Public Health Community Nursing	Annually with 30-day notice.	Unknown	Full Program Review	Planned for FY 07/08, but not started.	
	Children and Families Commission of Orange County	Prop. 10 Programs - Public Health Community Nursing	Annually with 30-day notice.	Unknown	Full Program Review	Planned for FY 07/08, but not started.	
<b>Housing and Community Services Dept.</b>		<b><u>Orange County Housing Authority</u></b>					
	Macias, Gini & O'Connell LLP	HUD Section 8	FYE 6/30/07	FYE 6/30/04	Part of Single Audit	In process.	
	Macias, Gini & O'Connell LLP	Orange County Housing Authority	FYE 6/30/07	FYE 6/30/06	Financial Review (Agreed upon procedures Audit of Financial Data Schedules of OCHA for Housing Choice Vouchers & Section 8 Programs)	Planned for FY 07/08, but not started.	

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<b>Housing and Community Services Dept. (Cont'd.)</b>		<b><u>Orange County Housing Authority (Cont'd.)</u></b>					
	Macias, Gini & O'Connell LLP	Shelter Plus Care	FY 06/07	First Time	Single Audit	Fieldwork began 1/08.	
		<b><u>Community Investment Division</u></b>					
	Macias, Gini & O'Connell LLP	Workforce Investment Act Cluster (WIA)	FYE 6/30/07	FYE 6/30/04	Part of Single Audit	In process.	
	Employment Development Department	Workforce Investment Act	FY 07/08	FY 06/07	Program and Fiscal Monitoring	Not started yet.	
		<b><u>Office on Aging</u></b>					
	CA Dept. on Aging	Office on Aging	FY 06/07 & 07/08	FY 01/02 to 03/04	Program Monitoring	Fieldwork completed. Pending report.	
		<b><u>Orange County Development Agency</u></b>					
	Macias, Gini & O'Connell LLP	Orange County Development Agency Financial Statements	FYE 6/30/07 Annually	FYE 6/30/06	Financial and Compliance Audit	Audit report dated 11/20/07.	None.
		<b><u>Community Advocacy Division</u></b>					
	Macias, Gini & O'Connell LLP	Community Development Block Grant (CDBG)	FYE 6/30/07	FYE 6/30/04	Part of Single Audit	In process.	
<b>Human Resources Department</b>	No audits in progress.						
<b>Integrated Waste Management Department</b>	Macias, Gini & O'Connell LLP	IWMD Financial Statements IWMD Accounting	FYE 6/30/07 Annually	FYE 6/30/06	Financial and Compliance Audit	Fieldwork completed. Circulating Manage- ment Representation Letter.	
<b>Internal Audit Department</b>	No audits in progress.						

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<b>John Wayne Airport</b>	U.S. Attorneys' Office & FAA	FAA Grant Projects	1996-2004	N/A	TBA	In progress per County Counsel as of 1/7/08.	
	Macias, Gini & O'Connell LLP	JWA Passenger Facility Charge (Single Audit)	FYE 6/30/07	11/21/06	Compliance with Passenger Facility Charge Audit Guide for Public Agencies issued by the Federal Aviation Administration.	Audit report dated 12/6/07.	None noted.
	Macias, Gini & O'Connell LLP	JWA Financial Statements	FYE 6/30/07 Annually	FYE 6/30/06	Financial and Compliance Audit	Audit report dated 12/6/07.	None noted.
	Macias, Gini & O'Connell LLP	Airport Improvement Program (Single Audit)	FY 06/07 Annual	Report issued 11/21/06	Compliance with U.S. Office of Management and Budget (OMB) Circular A-133.	Planned for FY 07/08, but not started.	
	TBA (Coordinated with CEO-IT)	IT Security	TBA	None	TBA	Planned for FY 07/08, but not started.	
<b>Orange County Public Library</b>	No audits in progress.						
<b>Probation</b>	State of California Dept of Alcohol and Drug Programs	Prop 36 Program	FY 02-03 and 03-04	April 2006	Program and financial audit by the State Department of Alcohol and Drug Programs for HCA, Probation, DA and Pub Def.	As of 12/31/07, still in progress. (Audit also noted under CEO, HCA, and Public Defender.)	
<b>Public Administrator/ Public Guardian</b>	Robert Higson IRS Tax Attorney	Accounting/Finance	3 Months (minimum)	12/5/07	Decedent's 706 Federal Estate Tax return	In progress.	
<b>Public Defender</b>	State of California Dept of Alcohol and Drug Programs	Proposition 36	FY 02-03 and 03-04	April 2006	Reimbursement Claims	Report pending. (Audit also noted under CEO, HCA, and Probation.)	

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Registrar of Voters	Macias, Gini & O'Connell LLP	Election Voting Equipment/Help America Vote Act (HAVA)	FYE 6/30/07	N/A	Part of Single Audit. Review HAVA grant purchase of VVPAT and absentee ballot mailing system (Pitney Bowes).	As of 12/31/07, still in process.	
Resources and Development Management Department		<u>Watershed &amp; Coastal Resources</u>					
	EPA Contractor on behalf of San Diego Regional Water Quality Control Board	County of Orange Stormwater Program Implementation in South County	Random	June 2003	Spill Response and Municipal Component	Audit conducted on 9/21/07. Pending written report.	
		<u>Flood Control/SAR Project</u>					
	Transportation Corridor Agencies	Road Fee Program	Annual	3/07	Fiscal – Collection and submission of thoroughfare fees collected in compliance with program's guidelines.	Scheduled to begin 3/08.	
Sheriff-Coroner	Office of National Drug Control Policy/ KPMG	Regional Narcotics Suppression Program (RNSP)	1/1/03 ~ 12/31/04	8/04	Grant Compliance Audit	Draft report received. Pending final report.	None.
	Macias, Gini & O'Connell LLP	Tobacco Settlement Revenue (TSR) Fund	FYE 6/30/07 Annual	FYE 6/30/06	Agreed Upon Procedures	In process as of 12/31/07. (Also listed under A/C and HCA)	
	Bureau of State Audits	DNA ID Fund (Prop. 69 & AB1806)	CY 2005 & 2006	N/A	Compliance Audit	Final report issued. (Also listed under CEO.)	None.
	CA Office of Traffic Safety	Office of Traffic Safety (OTS)		N/A	Performance Review	Fieldwork completed 10/11/07. Report issued.	Corrective actions recommended. Expect follow-up monitoring in the future. No significant findings.
	Los Angeles High Intensity Drug Trafficking Agency	Regional Narcotics Suppression Program (RNSP)	1/1/05 - 12/31/06 Annual	1/1/03 - 12/31/04	Program Review of HIDTA Grant	Planned for FY 07/08, 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 12/31/07	Significant Findings
<b>Sheriff-Coroner (Cont'd.)</b>	Governor's Office of Homeland Security	State Homeland Security Grant	2004 & 2005 Program Years	1/07	Grant Compliance & Financial Audit	Planned for FY 07/08, but not started.	
<b>Social Services Agency</b>		<b><u>Financial &amp; Administration</u></b>					
	Governor's Office of Emergency Services	Child Abuse Treatment Program (CHAT)	FYE 6/30/04		Onsite visit to review contracts and finance; Parent Child Interaction Therapy (PCIT) Overview at Child Guidance Center; Tour of Corbin Family Resource Center (FRC) and Program Review Corbin FRC.	As of 12/31/07, audit is still in process.	
	Macias, Gini & O'Connell LLP	Temporary Assistance for Needy Families (TANF)	6/30/07	FYE 6/30/06	Part of Single Audit	As of 12/31/07, audit is still in process.	
	Dept. of Social Services Fraud Bureau	Income and Eligibility Verification System (IEVS) for California Work Opportunity and Responsibility to Kids (CalWORKS) and Food Stamp Programs	4/2/07 – 5/2/07	5/13/02 - 5/16/02	Evaluate the operation of County's IEVS and monitor compliance with IEVS requirements. Determine County's effectiveness in identifying and collecting CalWORKS Overpayments and Food Stamps Over Issuances.	Planned for FY 07/08, but not started.	
	Macias, Gini & O'Connell LLP (MGO)	Child Welfare System Title IVB	FYE 6/30/07	Unknown	Part of Single Audit	<i>According to MGO, this audit will not take place. Expenditures were below \$3M. It will be removed from the next quarterly report.</i>	
		<b><u>Children &amp; Family Services</u></b>					
	Department of Health and Human Services & CA Dept. of Social Services	Foster Care Eligibility Title IV-E Federal	10/05 – 3/31/06	2003	Review of all eligibility factors and payments issued on Foster Care cases during the review period. Statewide there were 80 cases pulled. Orange County had 3 cases pulled for review.	California passed the Title IV-E Audit. Results reported in a letter dated 7/23/07 from DSS.	One case had an ineligible payment. Since that time, SSA repaid the funds (\$3,178).

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/07	Significant Findings
<b>Social Services Agency (Cont'd.)</b>		<b><u>Children &amp; Family Services (Cont'd.)</u></b>					
	Orange County Fire Department	Orangewood Children's Home	FY 07/08 Annual	1/22/07	Scheduled annual visit to inspect buildings and property.	Planned for FY 07/08, but not started.	
	Grand Jury	Orangewood Children's Home	FY 07/08 Annual	1/11/07	Unannounced visit to inspect buildings and property. Questions about program and procedures.	Planned for FY 07/08, but not started.	
	Community Care Licensing (CCL)	Adoption	Annual	8/25/06	Unannounced visit to audit compliance with adoption licensing requirements.	Planned for FY 07/08, but not started.	
	CA Dept. of Social Services	Relative Approved Units	FY 07/08	2003	Randomly selected cases from Child Welfare Services Case Management System to review accuracy and timeliness of completion of relative and Non-relative Extended Family Member assessments, approvals and denials.	Planned for FY 07/08, but not started.	
	Judicial Council: Judicial Review & Technical Assistance Project	Juvenile Dependency Court/Court Programs	Annual	3/07	Review of Juvenile Court cases (findings/orders on minute orders) to determine if appropriate judicial orders were made to support Title IV-E funding.	Planned for FY 07/08, but not started.	
	CA Dept. of Industrial Relations	Orangewood Children's Home	FY 07/08	3/28/07	Scheduled visit to inspect elevator.	Planned for FY 07/08, but not started.	
		<b><u>Adult Services &amp; Assistance Programs</u></b>					
	State Dept. of Social Services USDA Food & Nutrition Svcs.	Food Stamps	Federal Fiscal Year 06/07 (10/06 - 9/07)	Ongoing	Review compliance with Program eligibility requirements.	As of 12/31/07, audit still in process. Accuracy rate is 95.6%.	

Department/ Agency	Name of Third Party Auditor	Program, Process, or Area	Audit Period & Frequency	Date Last Audited	Audit Scope	Status As of 12/31/07	Significant Findings
<b>Social Services Agency (Cont'd.)</b>		<b><u>Adult Services &amp; Assistance Programs (Cont'd.)</u></b>					
	CA Dept. of Health Care Services	Medi-Cal	1/07	6/07	Payment Error Rate Measurement. Review compliance with program eligibility requirements and estimate overpayments.	Planned for FY 07/08, but not started.	
	CA Dept. of Health Care Services	Medi-Cal	8/07	5/16/05	State Medi-Cal Performance Standards: Application Processing Review.	Planned for FY 07/08, but not started.	
	CA Dept. of Social Services	Food Stamps Management Evaluation Review	FYE 2006/07	Ongoing	Review compliance with program eligibility requirements.	Planned for FY 07/08, but not started.	
		<b><u>Program Integrity</u></b>					
		No audits at this time.					
		<b><u>Family Self- Sufficiency</u></b>					
	Dept. of Public Social Services	Refugee Cash Assistance	4/08	4/07	Accuracy of payment and eligibility determination	Planned for FY 07/08, but not started.	
<b>Treasurer-Tax Collector</b>	Moreland & Associates, Inc.	Quarterly engagement of Treasury to comply with the Investment Policy Statement and Government Code	Quarter Ended 9/30/07	6/30/07	Agreed Upon Procedures Engagement Audit	Report issued 10/25/07.	None.
	Moreland & Associates, Inc.	Quarterly engagement of Treasury to comply with the Investment Policy Statement and Government Code	Quarter Ended 12/31/07	9/30/07	Agreed Upon Procedures Engagement Audit	Will begin on 2/11/08.	
	Moreland & Associates	SB866 Annual Audit of Compliance with government code and the IPS	YE 12/31/07	YE 12/31/06	Compliance Audit	Planned for FY 07/08, but not started.	
	Moreland & Associates, Inc.	Quarterly engagement of Treasury to comply with the IPS and Government Code	Quarter Ended 3/31/08	12/31/07	Agreed Upon Procedures Engagement Audit	Planned for FY 07/08, but not started.	