



INTERNAL AUDIT DEPARTMENT



Executive Summary of Internal Audit Reports For the Quarter Ended March 31, 2024

Audit Number: 2396
Report Date: May 28, 2024

OC Board of Supervisors

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3rd DISTRICT

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4th DISTRICT

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1st DISTRICT

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2nd DISTRICT

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5th DISTRICT



INTERNAL AUDIT DEPARTMENT

May 28, 2024

To: Chairman Donald P. Wagner, Supervisor, 3rd District
 Vice Chairman Doug Chaffee, 4th District
 Supervisor Andrew Do, 1st District
 Supervisor Vicente Sarmiento, 2nd District
 Supervisor Katrina Foley, 5th District

From: Aggie Alonso, CPA, CIA, CRMA
 Internal Audit Department Director

Subject: Executive Summary of Internal Audit Reports for the Quarter Ended March 31, 2024

Attached is our Executive Summary of Internal Audit Reports for the quarter ended March 31, 2024. Specifically, during this quarter, we issued three audit reports, which includes two original audits and one follow-up audit. The following is a breakdown of the original audits, along with the number of critical, significant and control weaknesses identified, and the follow-up audit with the implementation status of our recommendations:

Original Audits

1. **Information Technology Audit: OCIT Enterprise IT Governance** (four Control Findings)
2. **Internal Control Audit: District Attorney-Public Administrator Purchasing & Contracts** (six Control Findings)

Follow-Up Audit

3. **Third & Final Close-Out Follow-Up Information Technology Audit: Social Services Agency IT Security & Change Management** (nine total recommendations: nine implemented/closed)

For each report, our executive summary provides the objectives, results, and details for any critical control weaknesses or significant control weaknesses identified during our review. If you have any questions, please contact me at (714) 834-5442 or Assistant Deputy Director Michael Dean at (714) 834-4101.

INTERNAL AUDIT DEPARTMENT
EXECUTIVE SUMMARY - FINDING TYPE CLASSIFICATION
FOR THE QUARTER ENDED MARCH 31, 2024

CATEGORY	ISSUED THIS PERIOD	ISSUED FOR FY 2023-24
Critical Control Weaknesses These are audit findings or a combination of audit findings that represent critical exceptions to the audit objective(s) and/or business goals. Such conditions may involve either actual or potential large dollar errors or be of such a nature as to compromise the department's or County's reputation for integrity. Management is expected to address Critical Control Weaknesses brought to its attention immediately.	0	0
Significant Control Weaknesses These are audit findings or a combination of audit findings that represent a significant deficiency in the design or operation of internal controls. Significant Control Weaknesses require prompt corrective actions.	0	5
Control Findings These are audit findings concerning internal controls, compliance issues, or efficiency/effectiveness issues that require management's corrective action to implement or enhance processes and internal controls. Control Findings are expected to be addressed within our follow-up process of six months, but no later than twelve months.	10	15
TOTAL	10	20



EXECUTIVE SUMMARY
INTERNAL AUDIT REPORTS
FOR THE QUARTER ENDED MARCH 31, 2024

ORANGE COUNTY INFORMATION TECHNOLOGY

1. Information Technology Audit: OCIT Enterprise IT Governance

Audit No. 2315 (2242) dated March 28, 2024 for the period of July 1, 2022 to June 30, 2023

OBJECTIVES	RESULTS	CRITICAL CONTROL/ SIGNIFICANT CONTROL FINDINGS	CONTROL FINDINGS
1. Design, implementation, and operating effectiveness of internal control to determine whether IT Governance controls provide reasonable assurance that Strategic Alignment, Resource/Risk/Performance Management and Value Delivery are properly managed and comply with best practices and standards.	Content has been removed from this report due to the sensitive nature of the specific findings.	0	4

DISTRICT ATTORNEY-PUBLIC ADMINISTRATOR

2. Internal Control Audit: District Attorney-Public Administrator Purchasing & Contracts

Audit No. 2324 (2213) dated March 29, 2024 for the period of August 1, 2021 through July 31, 2022

OBJECTIVES	RESULTS	CRITICAL CONTROL/ SIGNIFICANT CONTROL FINDINGS	CONTROL FINDINGS
1. Evaluate the effectiveness of internal control over the purchasing and contracts process to ensure requisitions and purchase of goods and services are executed in accordance with management's directives; adequately supported; and properly authorized and recorded.	We concluded that OCDA's internal control over the purchasing and contracts process is generally effective to ensure requisitions and purchase of goods and services are executed in accordance with management's directives; adequately supported; and properly authorized and recorded.	0	6
2. Review the purchasing and contracts process for efficiency.	We concluded that OCDA's purchasing and contracts process is generally efficient.		



EXECUTIVE SUMMARY
INTERNAL AUDIT FOLLOW-UP REPORTS
FOR THE QUARTER ENDED MARCH 31, 2024

SOCIAL SERVICES AGENCY

3. Third & Final Close-Out Follow-Up Information Technology Audit: Social Services Agency IT Logical Security & Change Management

Audit No. 1846-F3 (Reference 1846) dated February 29, 2024 as of December 31, 2023

ORIGINAL AUDIT – 9 FINDINGS		FOLLOW-UP STATUS		PLANNED ACTION FOR RECOMMENDATIONS NOT IMPLEMENTED/IN PROCESS
CRITICAL CONTROL WEAKNESS/ SIGNIFICANT CONTROL WEAKNESS	CONTROL FINDINGS	IMPLEMENTED/ CLOSED	NOT IMPLEMENTED/ IN PROCESS	
<p style="text-align: center;">5</p> <p>One (1) Critical Control Weakness Due to the sensitive nature of the findings, details have been redacted from this report.</p> <p>Four (4) Significant Control Weaknesses Due to the sensitive nature of the findings, details have been redacted from this report.</p>	4	9	0	<p>Recommendation No. 1 (Critical Control Weakness) Due to the sensitive nature of the finding, details have been redacted from this report.</p> <p>Recommendation No. 6-9 (Significant Control Weaknesses) Due to the sensitive nature of the finding, details have been redacted from this report.</p>

