



OC Board of Supervisors' Internal Audit Department

O R A N G E C O U N T Y

AUDIT HIGHLIGHT SEPTEMBER 16, 2009

INTERNAL AUDITOR'S REPORT TO THE BOARD OF SUPERVISORS

INTERNAL CONTROL AUDIT: PROBATION DEPARTMENT TITLE IV-E FOSTER CARE PROGRAM CLAIMS PROCESS Audit No. 2822

WHY IS THIS AUDIT IMPORTANT?

This audit is important because for the year ending September 30, 2008, the Probation Department incurred costs of approximately \$16 million and claimed matching reimbursement totaling \$5.7 million for administrative costs of minors placed in foster care. This audit provides an assessment of controls and compliance over the quarterly claiming process in accordance with State and Federal eligibility and claiming requirements.

WHAT WE FOUND?

Accomplishments and Successes

We found that internal controls and processes for the Title IV-E Foster Care Program claims process are in place to ensure: (1) Probation Department's Title IV-E eligibility determination and preparation of claims comply with Federal and State regulations; (2) reimbursement claims are processed accurately, completely and timely; and (3) business processes over Title IV-E claiming processes are efficient and effective.

Audit Findings and Control Recommendations

We identified **five (5) Control Findings** to enhance existing controls and processes over the Title IV-E claims process in the areas of times studies, operational policies and procedures, trust fund accounting controls, spreadsheet data storage, and aspects of the Interagency Operation Agreement with the Social Services Agency. The Probation Department concurred with the findings and recommendations and is in the process of implementing the recommendations.

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For more information, please contact Dr. Peter Hughes, CPA, Director of the Internal Audit Department at (714) 834-5475 or
peter.hughes@iad.ocgov.com