



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

**AUDITOR-CONTROLLER**

I N T E R N A L A U D I T

**REPORT ON REVIEW OF THE  
STATEMENT OF ASSETS  
HELD BY THE COUNTY TREASURY  
AS OF SEPTEMBER 30, 2009**



**Job Number 1043**

**Report Date: December 10, 2009**



O R A N G E C O U N T Y  
**AUDITOR-CONTROLLER**  
I N T E R N A L A U D I T

**Orange County Auditor-Controller**  
**David E. Sundstrom, CPA**



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**Report on Review of the Statement of Assets  
Held by the County Treasury**

**As of September 30, 2009**

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AUDITOR-CONTROLLER

Transmittal Letter

December 10, 2009

Job No. 1043

TO: Members, Board of Supervisors

SUBJECT: Report on Review of the Statement of Assets Held by the  
County Treasury as of September 30, 2009

We have completed our Report on Review of the Statement of Assets held by the County Treasury as of September 30, 2009. Enclosed is a copy of the report.

David E. Sundstrom  
Auditor-Controller

NI:lr  
Enclosure

Other recipients of this report:

Members, Audit Oversight Committee  
Thomas G. Mauk, County Executive Officer  
Darlene J. Bloom, Clerk of the Board of Supervisors  
Chriss W. Street, Treasurer-Tax Collector  
Paul C. Gorman, Chief Assistant Treasurer-Tax Collector  
Jan Grimes, Director, Central Accounting Operations  
Auditor-Controller  
Foreperson, Grand Jury



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AUDITOR-CONTROLLER

**INTERNAL AUDITOR'S REPORT**

Job No. 1043

December 10, 2009

Members, Board of Supervisors  
Hall of Administration Building  
333 W. Santa Ana Blvd., 5<sup>th</sup> Floor  
Santa Ana, CA 92701

Pursuant to Government Code §26920(a), we have reviewed the accompanying Statement of Assets Held by the County Treasury as of September 30, 2009 (financial statement). All information included in this financial statement is the representation of the management of the Treasurer's Office.

Our review was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. A review consists principally of inquiries of department personnel and analytical procedures applied to financial data. The Treasurer prepared a statement showing the amount and type of assets in the County Treasury as of September 30, 2009. Our review included the following procedures:

- (1) Counting cash in the County Treasury and confirming cash and investments held on behalf of the Treasurer.
- (2) Verifying that the records of the County Treasury and Auditor-Controller are reconciled for cash and investment accounts.

Based on our review, with the exception of the matter described in the following paragraph, we are not aware of any material modifications that should be made to the accompanying financial statement prepared on the cash basis, as modified, which is a comprehensive basis of accounting other than United States generally accepted accounting principles.

Members, Board of Supervisors  
December 10, 2009

Management has elected to omit all disclosures ordinarily included in a financial statement prepared on the cash basis as modified. If the omitted disclosures were included in the financial statement they might influence the user's conclusions about the Treasurer's assets. Accordingly, this financial statement is not designed for those who are not informed about such matters.

The Treasurer-Tax Collector's Office has its own separate accounting staff and Fund Accounting System that maintain the Treasurer's financial records. The Treasurer's staff are responsible for the recordation and reconciliation of the Treasury's cash and investments. The Treasurer's staff also reconcile the Treasurer's financial systems.

We were unable to review the Auditor-Controller's reconciliation of the Auditor-Controller's Fund 807 "Accounts Payable Clearing" balance to the Treasurer's Fund Accounting System (FAS) balance as required by Government Code Section 26920. The reconciliation had not yet been completed at the time of this review. This incomplete account reconciliation does not impact the attached Statement of Assets, which was prepared using information from the Quantum Treasury Management System. The balances presented in the Statement of Assets were confirmed using cash counts, bank confirmations, and custody broker confirmations.

The Auditor-Controller is elected by and accountable to the citizens of Orange County. The Auditor-Controller General Ledger Unit is responsible for the reconciliation of the Treasurer's cash fund balances to the County general ledger. We are disclosing this relationship because the Controller's role may be perceived as a potential impairment to our independence. However, the Internal Audit Unit that conducted this review is organizationally located outside of the line-management function of the Auditor-Controller's Office and is not responsible for the recordation or reconciliation of financial transactions. The Internal Audit Unit reports administratively to the elected Auditor-Controller.

Nevertheless, the reader of this report is advised to consider the above disclosure when using this report.

This report is intended for the information of the management of the County of Orange Auditor-Controller. However, this report is a matter of public record and its distribution is not limited.



Nancy N. Ishida, CPA  
Audit Manager

NI:lr  
Attachment

Other recipients of this report:  
Members, Audit Oversight Committee  
Thomas G. Mauk, County Executive Officer

Members, Board of Supervisors  
December 10, 2009

Darlene J. Bloom, Clerk of the Board of Supervisors  
David E. Sundstrom, Auditor-Controller  
Jan Grimes, Director, Central Accounting Operations  
Auditor-Controller  
Chriss W. Street, Treasurer-Tax Collector  
Paul C. Gorman, Chief Assistant Treasurer-Tax Collector  
Foreperson, Grand Jury

**Statement of Assets Held by the County Treasury as of September 30, 2009**



**OFFICE OF THE TREASURER-TAX COLLECTOR**


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 ASSISTANT TREASURER-TAX COLLECTOR  
 ROBIN RUSSELL  
 ASSISTANT TREASURER-TAX COLLECTOR  
 ADMINISTRATION

December 10, 2009

**STATEMENT OF ASSETS HELD BY THE COUNTY TREASURY  
 AS OF SEPTEMBER 30, 2009**

ASSETS				
	County Pool	Educational Pool	Non-Pooled	Total
<b>CASH</b>				
Cash on Hand	\$ 2,648	\$ -	\$ -	\$ 2,648
Demand Accounts	5,271,541	4,160,353	32,596	9,464,490
<b>Total Cash</b>	<b>5,274,189</b>	<b>4,160,353</b>	<b>32,596</b>	<b>9,467,138</b>
<b>INVESTMENTS, stated at cost</b>				
<i>Orange County Investment Pool:</i>				
Money Market Fund	1,972,421,524			1,972,421,524
Extended Fund	1,189,680,801			1,189,680,801
OC Extended Fund B	27,886,346			27,886,346
<i>Orange County Educational Pool:</i>				
Money Market Fund		1,368,085,805		1,368,085,805
Extended Fund		1,326,547,624		1,326,547,624
OC Extended Fund B		23,452,376		23,452,376
<i>Non-Pooled</i>			102,127,180	102,127,180
<b>Total Investments</b>	<b>3,189,988,671</b>	<b>2,718,085,805</b>	<b>102,127,180</b>	<b>6,010,201,656</b>
<b>TOTAL ASSETS</b>	<b>\$ 3,195,262,860</b>	<b>\$ 2,722,246,158</b>	<b>\$ 102,159,776</b>	<b>\$ 6,019,668,794</b>

  
 \_\_\_\_\_  
 Chris W. Street  
 Treasurer-Tax Collector