



**INTERNAL AUDIT DEPARTMENT**  
**COUNTY OF ORANGE**

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***FINAL CLOSE-OUT***

**FOLLOW-UP AUDIT  
OF  
REVIEW OF BUDGETARY  
CONTROLS**

**RESOURCES AND DEVELOPMENT  
MANAGEMENT DEPARTMENT/  
PLANNING AND DEVELOPMENT SERVICES  
FUNCTION**

**(ORIGINAL AUDIT NO. 2584)**

**AS OF MAY 31, 2006**

**AUDIT NUMBER: 2532**

**REPORT DATE: JUNE 28, 2006**

**Audit Director: Peter Hughes, Ph.D., CPA**  
**Deputy Director: Eli Littner, CPA, CIA**  
**Audit Manager: Michael Goodwin, CPA, CIA**  
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***Final Close-Out***

**Follow-Up Audit of  
Review of Budgetary Controls  
Resources and Development Management Department/  
Planning and Development Services Function  
Original Audit No. 2584**

**As of May 31, 2006**

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**Transmittal Letter**

Audit No. 2532

June 28, 2006

TO: Bryan Speegle, Director  
Resources and Development Management Department

FROM: Peter Hughes, Ph.D., CPA, Director  
Internal Audit Department 

SUBJECT: **Final Close-Out** Follow-Up Audit of Review of Budgetary Controls  
Resources and Development Management Department/Planning  
and Development Services Function, Original Audit No. 2584

We have completed a Follow-Up Audit of Resources and Development Management Department/Planning and Development Services Function budgetary controls. Our audit was limited to reviewing, as of May 31, 2006, actions taken to implement the **two recommendations** made in our original audit report dated October 28, 2005. The results of our Follow-Up Audit are discussed in the **Internal Auditor's Report** following this transmittal letter. Because satisfactory corrective action has been taken for the two recommendations, this report represents the close-out of the original audit.

As the Director of Internal Audit, I now submit a monthly audit status report to the Board of Supervisors (BOS) where I detail any material and significant audit findings released in reports during the prior month and the implementation status of audit recommendations as disclosed by our Follow-Up Audits. Accordingly, the results of this audit will be included in a future status report to the BOS.

We appreciate the cooperation and assistance extended to us during our Follow-Up Audit.

Other recipients of this report:

Members, Board of Supervisors  
Members, Audit Oversight Committee  
Thomas G. Mauk, County Executive Officer  
Steve Dunivent, Manager, CEO/Budget Office  
Steve Danley, Director, RDMD/Administration  
Tim Neely, Director, RDMD/Planning & Development Services  
Carlos Bustamante, Assistant Director, RDMD/Planning & Development Services  
Greg Lepore, Manager, RDMD/Finance & Department Services  
Foreperson, Grand Jury  
Darlene J. Bloom, Clerk of the Board of Supervisors



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**INTERNAL AUDITOR'S REPORT**  
**FINAL CLOSE-OUT**

Audit No. 2532

June 28, 2006

Bryan Speegle, Director  
Resources and Development Management Department  
300 N. Flower Street  
Santa Ana, CA 92703

We have completed a Final Close-Out Follow-Up Audit of budgetary controls in the Resources and Development Management Department/Planning and Development Services Function (RDMD/PDS). Our Follow-Up Audit was limited to reviewing actions taken as of May 31, 2006, to implement the recommendations made in our original audit report dated October 28, 2005.

Our original audit reviewed the processes and controls in RDMD/PDS over the development and on-going monitoring of the annual budget with particular attention on Building & Safety Fund 113. The original audit report contained (2) two recommendations regarding the development of a fund reserve and a workforce contingency program reduction plan.

Based on our Follow-Up Audit, **satisfactory corrective action has been taken for both recommendations. As such, this report represents the final close-out of the original audit.** We appreciate the cooperation and assistance extended to us during our Follow-Up Audit.

Sincerely,

Peter Hughes, Ph.D., CPA  
Director, Internal Audit

Distribution Pursuant to Audit Oversight Committee Procedure No. 1:

Members, Board of Supervisors  
Members, Audit Oversight Committee  
Thomas G. Mauk, County Executive Officer  
Steve Dunivent, Manager, CEO/Budget Office  
Steve Danley, Director, RDMD/Administration  
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