

DEPARTMENT OF HEALTH SERVICES
COUNTY OF LOS ANGELES**SUBJECT:** AUDIT SYSTEMS**POLICY NO.** 550

PURPOSE:: To state the Department's position regarding audits and the audit function within the Department.

POLICY:: Audits of accounting and financial records are conducted by Federal, State, and local agencies. The County Auditor- Controller, Grand Jury, and other special-purpose auditors may review such records. The variety of audits, however, may include:

1. Fiscal audits
2. Compliance audits
3. Operational audits
4. Accounting systems audits

The State and Federal governments may audit the Department to ensure compliance with specific regulations of the Medi- Cal and Medicare programs.

Operational audits may be conducted by external agencies, such as the County Auditor-Controller, or by internal audit teams. The internal audit function shall be independent of line functions, and individuals assigned by the Director or Chief Deputy Director to conduct internal audits of the Department shall carry out this function in an impartial and constructive manner. The internal audit shall be considered as part of the management function, and those performing internal audits shall have the authority to cross department and divisional lines.

To ensure compliance with the California Health Facilities Commission requirements, the Department shall conduct an audit of accounting systems. This shall be the responsibility of the Internal Control and Compliance Group (ICCG).

EFFECTIVE DATE: Mar 29, 1976

SUPERCEDES:

APPROVED: Signature on File
