

S U M M A R Y M I N U T E S



REGULAR MEETING OF THE AUDIT OVERSIGHT COMMITTEE ORANGE COUNTY, CA

Thursday, November 10, 2022, 10:00 A.M.

County Administration South
601 N. Ross St. Multipurpose Rooms 103/105
Santa Ana, CA 92701

MARK WILLE, CPA
AOC CHAIR
Private Sector Member, Third District

STELLA ACOSTA, CPA
AOC VICE CHAIR
Private Sector Member, Fourth District

SUPERVISOR DOUG CHAFFEE
BOARD CHAIRMAN
Fourth District
Member

SUPERVISOR DON WAGNER
BOARD VICE CHAIRMAN
Third District
Member

FRANK KIM
COUNTY EXECUTIVE OFFICER
Member

DREW ATWATER
Private Sector Member, First District

YVONNE ROWDEN
Private Sector Member, Second District

ROBERT BROWN
Private Sector Member, Fifth District

Non-Voting Members

Auditor-Controller:
Treasurer-Tax Collector:
Internal Audit Director:

Frank Davies, CPA
Shari Freidenrich, CPA
Aggie Alonso, CPA

Staff

Assistant Internal Audit Director:
Deputy County Counsel:
AOC Clerk:

Scott Suzuki, CPA
Ronnie Magsaysay
Mari Elias

ATTENDANCE: Mark Wille, AOC Chairman, Private Sector Member
Stella Acosta, AOC Vice Chair, Private Sector Member
Patricia Welch-Foster, Proxy for Supervisor Wagner
Jesus Gaona Perez, Proxy for Supervisor Chaffee
Michelle Aguirre, Proxy for CEO Frank Kim
Yvonne Rowden, Private Sector Member
Drew Atwater, Private Sector Member
Robert Brown, Private Sector Member

PRESENT: James Kim, Proxy for Shari Freidenrich, Treasurer-Tax Collector
Frank Davies, Auditor-Controller
Aggie Alonso, Internal Audit Director
Mark Servino, Deputy County Counsel
Mari Elias, AOC Clerk

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1. Roll call

Mr. Mark Wille, Audit Oversight Committee (AOC) Chair, called the meeting to order at 10:00 A.M. Attendance of AOC Members noted above.

2. Approve Audit Oversight Committee Regular Meeting Minutes of August 11, 2022

Mr. Wille asked for a motion to approve the Audit Oversight Committee Regular Meeting Minutes of August 11, 2022.

Motion to approve the Regular Meeting Minutes of August 11, 2022, by Mr. Robert Brown with an edit to Item 3 to reference Special Meeting, seconded by Mr. Drew Atwater.

All in favor.

Approved as recommended.

3. Receive Report on Required Communication from External Auditors

Mr. Roger Alfaro, Partner at Eide Bailly, discussed attachments reflecting Eide Bailly's status on audits in progress, as well as those recently completed.

4. Approve Internal Audit Department's Quarterly Status Report and Approve Executive Summary of Internal Audit Reports for the Quarter Ended September 30, 2022

Mr. Aggie Alonso, Director of Internal Audit, presented the Quarterly Status Report and Executive Summary of Internal Audit Reports for the Quarter Ended September 30, 2022.

Motion to approve Internal Audit Department's Quarterly Status Report and approve Executive Summary of Internal Audit Reports for the Quarter Ended September 30, 2022, by Ms. Stella Acosta, seconded by Mr. Robert Brown.

All in favor.

Approved as recommended.

5. Approve External Audit Activity Status Report for the Quarter Ended September 30, 2022, and Receive Report on Status of External Audit Recommendations Implementation

Mr. Scott Suzuki, Assistant Director, presented the External Audit Activity Status Report for the Quarter Ended September 30, 2022. Mr. Suzuki stated there were no material findings during this reporting period and five findings/issues.

Motion to approve External Audit Activity Status Report for the Quarter Ended September 30, 2022, and Receive Report on Status of External Audit Recommendations Implementation, by Mr. Robert Brown, seconded by Ms. Yvonne Rowden.

All in favor.

Approved as recommended.

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6. Receive Report on Status of Auditor-Controller Mandated Audits for the Quarter Ended September 30, 2022

Mr. Michael Steinhaus, Auditor-Controller Internal Audit Unit Audit Manager, provided a status report of Mandated Audits for the quarter ended September 30, 2022.

7. Receive Report on Status of Performance Audits for the Quarter Ended September 30, 2022

Ms. Lilly Simmering, Deputy County Executive Officer, provided an update of Performance Audits.

8. Receive Update on Treasurer-Tax Collector Performance Audit Subcommittee

Mr. Wille provided an update on the Treasurer-Tax Collector (T-TC) Performance Audit subcommittee meetings. Mr. Wille stated that the department has implemented the recommendations and acknowledged Treasurer-Tax Collector Shari Freidenrich's willingness to participate in the implementation process.

9. Receive Report on eProcurement

Mrs. Michelle Aguirre, Chief Financial Officer, provided a status update on eProcurement.

10. Receive Update on County IT Projects Quarterly Progress Report

Mr. KC Roestenberg, Chief Information Officer and Chief Technology Officer, provided an update on the IT projects quarterly progress.

11. Receive Update on Internal Audit Department External Quality Assessment

Mr. Alonso stated that Internal Audit is in the contracting process. The Institute of Internal Auditors will be conducting fieldwork in February and a final report will be issued at the end of April 2023.

12. Receive Report on Auditor-Controller Internal Audit External Quality Assessment

Mr. Steinhaus stated that the External Quality Assessment (EQA) is required by the Institute of Internal Auditors Standards. The last Auditor-Controller (A-C) EQA was conducted in 2017 at which time the A-C received a rating of *generally conforms*, which is the highest level of conformance possible. In 2022, the A-C Internal Audit also received a rating of *generally conforms*.

13. Elections of Officers

Mr. Wille asked for nominations for the election of the AOC Chair.

Motion to nominate Mr. Mark Wille as AOC Chair for a second term made by Mr. Robert Brown, seconded by Mr. Drew Atwater.

All in favor.

Approved as recommended.

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Mr. Wille asked for nominations for the election of the AOC Vice Chair.

Motion to nominate Mr. Drew Atwater as AOC Vice Chair by Ms. Stella Acosta, seconded by Mr. Robert Brown.

All in favor.

Approved as recommended.

PUBLIC COMMENTS: None.

AOC COMMENTS: None

ADJOURNMENT: Meeting adjourned at 11:31 A.M.

NEXT MEETING:

Regular Meeting, February 9, 2023 at 10:00 A.M.