

# 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, August 17, 2023, 10:00 A.M.**

County Administration South  
601 N. Ross St. County Conference Center 104/106  
Santa Ana, CA 92701

**MARK WILLE, CPA**

AOC CHAIR  
Private Sector Member, Third District

**SUPERVISOR DONALD P. WAGNER**

BOARD CHAIRMAN  
Third District  
Member

**FRANK KIM**

COUNTY EXECUTIVE OFFICER  
Member

**LARRY HIMMEL**

Private Sector Member, Fourth District

**DREW ATWATER**

AOC VICE CHAIR  
Private Sector Member, First District

**SUPERVISOR ANDREW DO**

BOARD VICE CHAIRMAN  
First District  
Member

**TIM JOHNSON, CPA**

Private Sector Member, Second District

**YVONNE ROWDEN**

Private Sector Member, Fifth District

**Non-Voting Members**

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

Andrew Hamilton, CPA  
Shari Freidenrich, CPA  
Aggie Alonso, CPA

**Staff**

Deputy County Counsel:  
AOC Clerk:

Ronnie Magsaysay  
Stephany Franco

ATTENDANCE: Mark Wille, AOC Chairman, Private Sector Member  
Patricia Welch-Foster, Proxy for Supervisor Wagner  
Hung Le, Proxy for Supervisor Do  
Frank Kim, County Executive Officer/Michelle Aguirre, County Financial Officer  
Larry Himmel, Private Sector Member  
Tim Johnson, Private Sector Member  
Yvonne Rowden, Private Sector Member

PRESENT: Andrew Hamilton, Auditor-Controller  
Shari Freidenrich, Treasurer-Tax Collector  
Aggie Alonso, Internal Audit Director  
Ronnie Magsaysay, Deputy County Counsel  
Stephany Franco, 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. New AOC Member Welcome, Introductions, and Training August 29, 2023

Ms. Yvonne Rowden, Mr. Larry Himmel, and Mr. Tim Johnson each provided a brief overview of their current status and career history.

## 3. Approve Audit Oversight Committee Regular Meeting Minutes of February 16, 2023

Mr. Wille asked for a motion to approve the Audit Oversight Committee Regular Meeting Minutes of February 16, 2023.

**Motion to approve the Regular Meeting Minutes of February 16, 2023, by Ms. Patricia Welch-Foster, seconded by Ms. Yvonne Rowden.**

**All in favor.**

**Approved as recommended.**

## 4. 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 for March 31 and June 30, 2023.

Mr. Alfaro announced that this would be his final meeting and introduced Mr. David Showalter, who will take over.

## 5. Approve Internal Audit Department's Quarterly Status Report and Approve Executive Summary of Internal Audit Reports for the Quarter Ended March 31 and June 30, 2023

Mr. Aggie Alonso, Director of Internal Audit, presented the Quarterly Status Report and Executive Summary of Internal Audit Reports for the Quarter Ended March 31 and June 30, 2023.

**Motion to approve Internal Audit Department's Quarterly Status Report and approve Executive Summary of Internal Audit Reports for the Quarter Ended March 31 and June 30, 2023, by Mr. Tim Johnson, seconded by Mr. Larry Himmel.**

**All in favor.**

**Approved as recommended.**

## 6. Approve the Internal Audit Department's Annual Risk Assessment & Audit Plan FY 2023-24

Mr. Alonso presented the Internal Audit Department's Annual Risk Assessment & Audit Plan for FY 2023-24.

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**Motion to approve Internal Audit Department's Annual Risk Assessment & Audit Plan FY 2023-24, by Mr. Tim Johnson, seconded by Ms. Yvonne Rowden.**

All in favor.

Approved as recommended.

**7. Approve External Audit Activity Status Reports for the Quarters Ended March 31 and June 30, 2023, and Receive Reports on Status of External Audit Recommendations Implementation**

Ms. Gianne Morgan, Audit Manager, presented the External Audit Activity Status Report for the Quarter Ended March 21 and June 30, 2023. Ms. Morgan stated there were no material findings during the third quarter reporting period and one finding for fourth quarter.

**Motion to approve External Audit Activity Status Reports for the Quarters Ended March 31 and June 30, 2023, and Receive Reports on Status of External Audit Recommendations Implementation, by Mr. Tim Johnson, seconded by Mr. Larry Himmel.**

All in favor.

Approved as recommended.

**8. Receive Reports on Status of Auditor-Controller Mandated Audits for the Quarters Ended March 31 and June 30, 2023**

Mr. Michael Steinhaus, Auditor-Controller Internal Audit Unit Audit Manager, provided status reports of Mandated Audits for the quarter ended March 31 and June 30, 2023.

**9. Receive Report on Status of Performance Audits for the Quarters Ended March 31 and June 30, 2023**

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

**10. Receive Report on eProcurement and Impact on Audits**

Mr. Andrew Hamilton, Auditor-Controller, provided a status update on eProcurement.

**11. Receive Update on County IT Projects Quarterly Progress Report**

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

**12. Approve Internal Audit Department's External Quality Assessment**

Mr. Alonso presented the Internal Audit Department's External Quality Assessment, which was conducted by the Institute of Internal Auditors in March of 2023. The IIA concluded that Internal Audit Department generally conformed with the IIA Standards & the IIA Code of Ethics, which is the highest level of conformance possible.

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**Motion to approve Internal Audit Department's External Quality Assessment, by Mr. Tim Johnson, seconded by Mr. Larry Himmel.**

**All in favor.**

**Approved as recommended.**

**13. Receive Internal Audit Department's Fiscal Year 2022-23 Key Performance Indicators Report**

Mr. Alonso provided a summary of the results of the Fiscal Year 2022-23 Key Performance Indicators.

**14. Receive Report on Internal Audit Department's Independence**

Mr. Alonso stated that for the period of July 1, 2022 through June 30, 2023, the Internal Audit Department's internal audit activity has been free from the interference in determining the scope of internal auditing, performing work, and communicating results.

**PUBLIC COMMENTS:** None.

**AOC COMMENTS:** None.

**ADJOURNMENT:** Meeting adjourned at 11:57 A.M.

**NEXT MEETING:**

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