

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



SPECIAL MEETING OF THE AUDIT OVERSIGHT COMMITTEE
ORANGE COUNTY, CA
Wednesday, February 7, 2024, 10:00 A.M.

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

DREW ATWATER

AOC CHAIR
Private Sector Member, First District

SUPERVISOR DONALD P. WAGNER

BOARD CHAIRMAN
Third District
Member

FRANK KIM

COUNTY EXECUTIVE OFFICER
Member

MARK WILLE, CPA

Private Sector Member, Third District

YVONNE ROWDEN

AOC VICE CHAIR
Private Sector Member, Fifth District

SUPERVISOR DOUG CHAFFEE

BOARD VICE CHAIRMAN
Fourth District
Member

TIM JOHNSON, CPA

Private Sector Member, Second District

LARRY HIMMEL

Private Sector Member, Fourth 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:

Patricia Welch-Foster, Proxy for Supervisor Wagner
Jesus Gaona Perez, Proxy for Supervisor Chaffee
Frank Kim, County Executive Officer
Tim Johnson, Private Sector Member
Mark Wille, Private Sector Member – Not Present
Larry Himmel, Private Sector Member

PRESENT:

Andrew Hamilton, Auditor-Controller
Shari Friedenrich, Treasurer-Tax Collector
Aggie Alonso, Internal Audit Director
Ronnie Magsaysay, Deputy County Counsel
Stephany Franco, AOC Clerk

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

1. Roll call

Mr. Drew Atwater, 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 November 9, 2023

Mr. Atwater asked for a motion to approve the Audit Oversight Committee Regular Meeting Minutes of November 9, 2023.

Motion to approve the Regular Meeting Minutes of November 9, 2023, by Tim Johnson, seconded by Yvonne Rowden.

All in favor.

Approved as recommended.

3. Approve Audit Oversight Committee Regular Meeting Schedule for 2024

Mr. Atwater asked for a motion to approve the Audit Oversight Committee Regular Meeting Schedule for 2024.

Motion to approve the Audit Oversight Committee Regular Meeting Schedule for 2024, by Tim Johnson, seconded by Larry Himmel.

All in favor.

Approved as recommended.

4. Receive Report on Required Communication from External Auditors

Mr. David Showalter, Partner at Eide Bailly, discussed attachments reflecting Eide Bailly's status on audits in progress, as well as those recently completed for December 31, 2023.

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

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

Motion to approve Internal Audit Department's Quarterly Status Report and approve Executive Summary of Internal Audit Reports for the Quarter Ended December 31, 2023, by Yvonne Rowden, seconded by Tim Johnson.

All in favor.

Approved as recommended.

6. Receive Update on Internal Audit Department's Recruitments

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

Mr. Aggie Alonso reported that Internal Audit has four vacancies consisting of the Assistant Director, Senior Fiscal Manager, Fiscal Manager, and Administrative Manager positions. Specifically, the Assistant Director recruitment was opened in September 2023, the first round of interviews is scheduled for late February 2024, and Internal Audit expects to have the position filled by May 2024. The Senior Fiscal Manager recruitment is also underway and Internal Audit expects to have the position filled in March 2024. The Fiscal Manager recruitment will commence in late February 2024, and lastly the Administrative Manger recruitment will begin once the other three vacancies have been filled and we anticipate filling the vacancy in July 2024.

7. Approve External Audit Activity Status Report for the Quarter Ended December 31, 2023, and Receive Report on Status of External Audit Recommendations Implementation

Mr. Michael Dean, Senior Audit Manager, presented the External Audit Activity Status Report for the Quarter Ended December 31, 2023. Mr. Dean indicated that there was one material issue reported during the quarter. Specifically, the Department of Health Care Services conducted a review of the Health Care Agency's Short-Doyle/Medi-Cal Cost Report for the fiscal period ended June 30, 2015. The audit identified a total of approximately \$4.4M in disallowed costs.

Motion to approve External Audit Activity Status Reports for the Quarters Ended December 31, 2023, and Receive Reports on Status of External Audit Recommendations Implementation, by Tim Johnson, seconded by Yvonne Rowden.

All in favor.

Approved as recommended.

8. Receive Reports on Status of Auditor-Controller Mandated Audits for the Quarters Ended December 31, 2023

Mr. Michael Steinhaus, Auditor-Controller Manager, provided status reports of Mandated Audits for the quarter ended December 31, 2023.

9. Receive Report on Status of Performance Audits for the Quarters Ended December 31, 2023

Ms. Lilly Simmering, Chief Financial Officer, provided updates on Performance Audits.

10. Receive Report on eProcurement

Mr. Andrew Hamilton, Auditor-Controller, provided a status update on eProcurement. Mr. Hamilton reported that on February 6, 2024, the Board of Supervisors approved the release of the Request for Proposal for a new ERP (Enterprise Resource Planning) System, which includes a procurement module.

11. Receive Update on County IT Projects Quarterly Progress Report

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

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

PUBLIC COMMENTS: None.

AOC COMMENTS: None.

ADJOURNMENT: Meeting adjourned at 10:58 A.M.

NEXT MEETING:

Regular Meeting, May 16, 2024 at 10:00 A.M.