



**Contra
Costa
County**

To: Board of Supervisors
From: INTERNAL OPERATIONS COMMITTEE
Date: March 20, 2018

Subject: REPORT FROM THE AUDITOR-CONTROLLER'S OFFICE ON THE SCHEDULE OF FINANCIAL AUDITS FOR 2017

RECOMMENDATION(S):

ACCEPT report on the Auditor-Controller's audit activities for 2017 and APPROVE the proposed schedule of financial audits for 2018.

FISCAL IMPACT:

There is no fiscal impact related to providing input into the annual audit schedule. The financial auditing process may result in positive and negative fiscal impacts, depending on the audit findings.

BACKGROUND:

The Internal Operations Committee was asked by the Board in 2000 to review the process for establishing the annual schedule of audits, and to establish a mechanism for the Board to have input in the development of the annual audit schedule and request studies of departments, programs or procedures. The IOC recommended a process that was adopted by the Board on June 27, 2000, which called for the IOC to review the schedule of audits proposed by the Auditor-Controller and the County Administrator each December. However, due to the preeminent need during December for the Auditor to complete the Comprehensive Annual Financial Report, the IOC, some years ago, rescheduled

☒ APPROVE

☐ OTHER

☐ RECOMMENDATION OF CNTY
ADMINISTRATOR

☒ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **03/20/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 20, 2018

, County Administrator and Clerk of the Board of Supervisors

Contact: Julie DiMaggio Enea
(925) 335-1077

By: June McHuen, Deputy

consideration of the Auditor’s report to February of each year.

BACKGROUND: (CONT'D)

Attached is a report from the Auditor-Controller reviewing the department's audit activities for 2017 and transmitting the proposed schedule of financial audits for 2018, which are already in progress.

To provide continuity from the prior year report, in 2017, Chief Auditor Joanne Bohren had indicated last year that 37% of the findings were repeat findings from the previous year and concerned violations of Municipal Advisory Council fiscal policies, procurement card policies, and cash handling procedures. Asst. Auditor-Controller Elizabeth Verigin had advised that the Auditor's Office would reinstate periodic fiscal management training for the Municipal Advisory Councils, and strongly recommended a recommitment by Public Works-Purchasing to revive Procurement Card Training. Purchasing Services Manager David Gould advised that he had personally conducted one-on-one procurement card training during the previous six months and was researching electronic tools to help monitor card use and identify misuse. The Auditor's Office and Clerk of the Board's Office, in September 2017, jointly conducted a fiscal training session for MAC staff and membership.

The Internal Operations Committee, on March 12, received the staff report and recommends no changes to the 2018 schedule of audits.

ATTACHMENTS

2017/2018 Report and Schedule of Internal Audits