

SUMMARY OF PROCEEDINGS

KERN COUNTY AUDIT ADVISORY COMMITTEE

County Administrative Center
1115 Truxtun Avenue
3rd Floor Multipurpose Room
Bakersfield, California 93301

Regular Meeting
Wednesday, June 16, 2021

10:00 A.M.

COMMITTEE ACTION DISPLAYED IN CAPS

The vote is displayed in bold below each item.

CONSENT AGENDA LISTED WITH "CA" WERE CONSIDERED TO ROUTINE AND NON-CONTROVERSIAL. NO ADDITIONAL COMMENTS AND APPROVED BY ONE MOTION.

1) Call to order –

MEETING CALLED TO ORDER BY SUPERVISOR COUCH AT 10:05 A.M.

Roll call –

COMMITTEE MEMBERS PRESENT: DAVID COUCH (VOTING MEMBER), GEOFFREY KING (VOTING MEMBER) AND JORDAN KAUFMAN (NON-VOTING MEMBER)

COMMITTEE MEMBERS ABSENT: DAVID COUCH (VOTING MEMBER), AND RYAN ALSOP (NON-VOTING MEMBER)

COMMITTEE STAFF PRESENT: MARY BEDARD, MARGO RAISON

Others In Attendance: Aimee Espinoza, Tony Jones, James Zervis, Elsa Martinez, Alex Alva

CA-2) Minutes from January 8, 2020 Kern County Audit Advisory Committee meeting –

APPROVED

2 AYES (KING, COUCH); 1 ABSENT (MAGGARD)

- CA – 3) County Administrative Office’s December 31, 2019, June 30, 2020, and December 31, 2020 Compliance and Accountability Report–

RECEIVED AND FILED

2 AYES (KING, COUCH); 1 ABSENT (MAGGARD)

- CA – 4) Auditor-Controller-County Clerk’s Fraud and Ethics Activity Report for the periods ending December 31, 2019, June 30, 2020 and December 30, 2020 –

RECEIVED AND FILED

2 AYES (KING, COUCH); 1 ABSENT (MAGGARD)

- 5) Proposed revisions to Kern County Administrative Policy and Procedures Manual Chapter 6 to adjust committee meeting schedule –

COUNTY ADMINISTRATIVE OFFICE STAFF ELSA MARTINEZ REQUESTED A CHANGE IN THE KERN COUNTY ADMINISTRATIVE POLICY AND PROCEDURES MANUAL CHAPTER 6 – GOVERNMENT AND ACCOUNTABILITY TO CLARIFY WHO ARE THE VOTING MEMBERS OF THE AUDIT ADVISORY COMMITTEE AND TO CHANGE THE MEETING SCHEDULE FROM BIANNUALLY TO ANNUALLY

APPROVED; MADE RECOMMENDATION TO BOARD OF SUPERVISORS TO ADOPT REVISIONS

2 AYES (KING, COUCH); 1 ABSENT (MAGGARD)

- 6) Auditor-Controller-County Clerk presentation of their prospective outlook and the adequacy of coverage –

BEDARD PROVIDED A REPORT REQUESTED BY THE COMMITTEE AT ITS JANUARY 8, 2020 MEETING. SHE INDICATED THAT IN FISCAL YEAR 2019-20 THE DEPARTMENT HAD TO ASSIGN AUDIT STAFF TO IN OTHER AREAS OF THE OFFICE AND LEFT THEM WITH THREE AND HALF FULL-TIME EQUIVALENTS (FTE) THAT SEEMED ADEQUATE AT THE TIME FOR AUDIT ACTIVITIES. DURING FISCAL YEAR 2020-21 AS A RESULT OF THE RESTRICTING HIRING MEASURES ONLY TWO FTEs FUNDED WERE ASSIGNED TO AUDIT. THE PROPOSED PLAN HAS THAT IN MIND AND LIMITED AUDITS DURING FY 2020-21 TO SMALLER DEPARTMENTS. MOVING FORWARD ONCE THE ERP IS IMPLEMENTED MORE AUDIT STAFF WOULD BE NEEDED TO MONITOR AND REVIEW THE CONTROLS OF THE NEW SYSTEM.

KING INDICATED THAT FROM AN AUDIT PERSPECTIVE BIG DEPARTMENTS ARE NOT GETTING COVERAGE. HE INDICATED THE MARKET FOR GOOD QUALIFIED ACCOUNTANTS IS TIGHT. HOWEVER, FOR A COUNTY OUR SIZE IF WE DO NOT STAY ON TOP OF THE CRITICAL ISSUES AND ACTIVITIES, WE WILL HAMPER THE AUDITOR’S ABILITY TO HAVE OVERSIGHT.

JAMES ZERVIS INDICATED THAT ACCOUNTANTS MUST ALSO HAVE EXPERIENCE FROM THE AUDIT SIDE.

KING INDICATED THAT NEW SYSTEMS REQUIRE MORE RESOURCES AND COST MORE AND COUNTY NEEDS TO FIGURE OUT HOW TO FUND IT.

SUPERVISOR COUCH REQUESTED A REPORT BACK TO THE COMMITTEE REGARDING ADDITIONAL FUNDING AND POSITIONS FOR THE AUDITOR'S OFFICE. CLARIFICATION WAS PROVIDED THAT THE REQUEST WAS NOT FOR A FORMAL REPORT BUT A FOLLOW UP EMAIL TO THE COMMITTEE MEMBERS.

HEARD PRESENTATION; DISCUSS; RECEIVED AND FILED
2 AYES (KING, COUCH); 1 ABSENT (MAGGARD)

- 7) Committee member announcements or reports –

THE MEETING DATE WAS NOT SCHEDULED.

SCHEDULE NEXT MEETING FOR 2022.

- 8) Public comment –

NONE

- 9) Adjourn –

ADJOURN AT 10:39 A.M.

2 AYES (KING, COUCH); 1 ABSENT (MAGGARD)