

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
Thursday, April 7, 2022

Item #1
Draft January 11, 2022, Meeting Minutes



MEETING MINUTES

Internal Audit Oversight Committee

Tuesday, January 11, 2022

1:00 p.m. to 2:30 p.m.

Virtual meeting

- | | | | | | | |
|--|---|---|--|---|--|---|
| <input checked="" type="checkbox"/> Minh Dan Vuong, IAOC Chair, Community Member | <input checked="" type="checkbox"/> Darlene Kargel, Community Member | <input checked="" type="checkbox"/> Stephanie Gallegos, Community Member | <input checked="" type="checkbox"/> Tootie Smith, Chair of Board of County Commissioners | <input checked="" type="checkbox"/> Paul Savas, Vice-chair of Board of County Commissioners | <input checked="" type="checkbox"/> Gary Schmidt, County Administrator | <input checked="" type="checkbox"/> Stephen Madkour, County Counsel |
| <input checked="" type="checkbox"/> Brian Nava, County Treasurer (non-voting) | <input checked="" type="checkbox"/> Jodi Cochran, County Internal Auditor | <input checked="" type="checkbox"/> Kathy Yeung, County Senior Internal Auditor | <input checked="" type="checkbox"/> Scott Anderson, Video Production Coordinator, PGA | | | |

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
Welcome and Introductions	Chair Minh Dan Vuong	<p>Chair Minh Dan Vuong opened the meeting and welcomed the IAOC members. Members introduced themselves. Jodi Cochran, County Internal Auditor, provided the roll call.</p> <p>It was announced: "Today's meeting is a public meeting and is accessible via ZOOM to any member of the community who would like to observe. We will not</p>	None

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
		be taking public comment during the meeting. Emailed comments are welcome at OCIA@Clackamas.us . All comments received will be provided to Committee members."	
September 8, 2021, minutes November 4, 2021, special meeting minutes	Chair Minh Dan Vuong	<p>The draft September 9, 2021, and November 4, 2021, IAOC meeting minutes were presented.</p> <p>Stephen Madkour, County Counsel, moved to adopt the September 9, 2021, draft minutes as written. Tootie Smith, BCC Chair, seconded the motion. The motion was approved unanimously by voice vote.</p> <p>Stephen Madkour moved to adopt the November 4, 2021, draft minutes as written. Paul Savas, BCC Vice-Chair, seconded the motion. The motion was approved unanimously by voice vote.</p>	<p>September 8th, 2021, minutes approved as written.</p> <p>November 4th, 2021, minutes approved as written.</p>
Elections Ballot Security Audit	Jodi Cochran, County Internal Auditor	<p>Chair Vuong noted that the Clerk was unable to attend the meeting. A special meeting on January 24th, 2022, will allow for joint conversations with the Clerk to discuss the Elections Ballot Security Audit in greater detail.</p> <p>Jodi presented the Elections Ballot Security Audit PowerPoint, which included why the engagement is important, what was found, what was not address, what was recommended, and what is being done. Jodi also noted that there were no restrictions, barriers, or undue influence placed on the auditor during the audit process, and there was no impairment to the independence or objectivity of the auditor.</p> <p>It was noted that the Clerk agreed with two of the four recommendations. The Clerk agreed with the recommendations to enforce physical security protocols and disagreed with the value of enhancing existing ballot processing controls. Jodi noted that it is management's right to disagree with audit recommendations. As part of professional standards, the County Internal Auditor will inform the Committee if she believes management is accepting too great a risk or not</p>	Informational

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
		<p>adequately demonstrating an awareness. At this time, Jodi believes the Clerk is aware of the potential risks which chain of custody controls mitigate. The status of all four recommendations will be monitored in the coming months. If evidence exists that management is unnecessarily accepting significant risks, Jodi will bring that information to County Administration and this Committee.</p> <p>Members discussed the areas of improvement in the election process and provided remarks about the integrity and transparency demonstrated at the County. When questions were asked about the criteria used in the audit engagement, Jodi provided clarification that the State's standards and expectations of the election process in Oregon, as defined in Statue and the Vote by Mail Procedures Manual, were used.</p> <p>Jodi reiterated that this audit provided an opportunity for collaboration and communication with the Clerk and her team. No barriers to access were noted during this engagement. Chair Vuong commended Jodi for the excellent report that highlighted the observations, recommendations, and best practices.</p>	
2021 Annual Risk Assessment and 2022 Audit Plan	Jodi Cochran, County Internal Auditor	<p>Jodi presented the slides for the annual risk assessment and audit plan, which highlighted the roles of the Office of County Internal Audit (OCIA) and the IAOC, 2021 risk assessment results, and the proposed 2022 audit plan. When inquired about the timeline of the audit engagements, Jodi noted the OCIA will work on a timeline to best address the timing of projects and engagements.</p> <p>Members provided feedback on the IT audit engagement being a great first step to assess the County's current systems and risk. Additionally, commentary and clarification were provided regarding the other proposed audit engagements.</p> <p>Tootie Smith moved to adopt the 2022 Audit Plan as written. Stephen Madkour seconded the motion. The motion was approved unanimously by voice vote.</p>	2022 Audit Plan approved as written.

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
		Jodi noted that Commissioner Paul Savas will be transitioning out and Commissioner Martha Schrader will be transitioning in as the voting member. The committee thanked Paul for his service, participation, and insights.	
2021 Audit Plan & Quality Assurance Improvement Program (QAIP) status updates	Jodi Cochran, County Internal Auditor / Kathy Yeung, Senior Internal Auditor	Jodi provided the QAIP Q4 Status report. Professional Standards require the establishment of a Quality Assurance and Improvement Program (QAIP) to ensure the adequacy and effectiveness of an internal audit function. The Q4 report details specific County Internal Audit strategies and goals. Additionally, it serves as a method of addressing specific Standards and ensuring accountability.	Informational
Round Table	All	No additional comments made.	
Meeting adjournment	Chair Minh Dan Vuong	With no additional comments from the Committee, the meeting adjourned at 2:20 p.m.	
		Next scheduled meetings: Monday, January 24, 2022 10:00 a.m. to 10:45 a.m. Location: Virtual Wednesday, March 9, 2022 9:30 a.m. to 11:00 a.m. Location: TBD <i>Subsequently rescheduled to April 7, 2022</i>	Submitted by: Kathy Yeung

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
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Item #2
Draft January 24, 2022, Meeting Minutes



MEETING MINUTES

Internal Audit Oversight Committee

Monday, January 24, 2022

10:00 a.m. to 10:45 a.m.

Virtual meeting

- | | | | | | | |
|--|---|---|--|--|--|---|
| <input checked="" type="checkbox"/> Minh Dan Vuong, IAOC Chair, Community Member | <input checked="" type="checkbox"/> Darlene Kargel, Community Member | <input checked="" type="checkbox"/> Stephanie Gallegos, Community Member | <input checked="" type="checkbox"/> Tootie Smith, Chair of Board of County Commissioners | <input checked="" type="checkbox"/> Martha Schrader, Vice-chair of Board of County Commissioners | <input checked="" type="checkbox"/> Gary Schmidt, County Administrator | <input checked="" type="checkbox"/> Stephen Madkour, County Counsel |
| <input checked="" type="checkbox"/> Brian Nava, County Treasurer (non-voting) | <input checked="" type="checkbox"/> Jodi Cochran, County Internal Auditor | <input checked="" type="checkbox"/> Kathy Yeung, County Senior Internal Auditor | <input checked="" type="checkbox"/> Sherry Hall, County Clerk | <input checked="" type="checkbox"/> Rebekah (Becky) Stern Doll, Deputy Clerk | <input checked="" type="checkbox"/> Bill Cloran, Attorney | <input checked="" type="checkbox"/> Scott Anderson, Video Production Coordinator, PGA |

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
Welcome and Introductions	Chair Minh Dan Vuong	Chair Minh Dan Vuong opened the meeting and welcomed the IAOC members. Members introduced themselves. Jodi Cochran, County Internal Auditor, provided the roll call. It was announced: "Today's meeting is a public meeting and is accessible via ZOOM to any member of the community who would like to observe. We will not	None

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		be taking public comment during the meeting. Emailed comments are welcome at OCIA@Clackamas.us . All comments received will be provided to Committee members."	
Elections Ballot Security Audit	Jodi Cochran, County Internal Auditor Sherry Hall, County Clerk	<p>Jodi Cochran, County Internal Auditor, presented the Elections Ballot Security audit report and summarized the recommendations presented. Sherry Hall, County Clerk, and Becky Doll, Deputy Clerk, provided additional details regarding the recommendations the Clerk disagreed with. Sherry elaborated on the chain of custody recommendation regarding enhancing receipt protocols for damaged or non-standard return envelopes. She noted they have started using old drop boxes from the library to contain the damaged or non-standard return envelopes. Becky provided clarification on the process for batch records inspection and stated their concern for inefficiencies if the control log documentation and reconciliation process recommendation were to be implemented. Sherry expressed gratitude for the opportunity to have County Internal Audit dedicate time and resources to this engagement.</p> <p>The Committee thanked Sherry and Becky for their responses. Tootie Smith, BCC Chair, commented on the cost-effectiveness of using the old drop boxes for damaged and non-standard ballots. Tootie and Becky conversed about the opportunities to improve the reconciliation process and documentation process.</p> <p>Further conversations were held regarding the difficulty in recruiting staff, meeting the appropriate number of workers with different political party affiliations, and with changing in receipt and postmark deadlines. Bill Cloran, Attorney, provided additional insight on the audit scope, recommendations, and complimented Jodi's work for this audit engagement.</p> <p>Brian Nava, County Treasurer, thanked Bill, Sherry, and Becky, and commented on the value and importance of following up on audit recommendations. Brian highlighted the function and importance of continuous improvement.</p>	Informational

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
		<p>The Committee discussed the next steps regarding the audit engagement and reporting. Jodi noted the formal report has been concluded and published on the OCIA website.</p> <p>Chair Vuong noted the opportunity for the Board of County Commissioners and management to hold additional conversations as needed outside of the IAOC meeting. Chair Vuong thanked the Office of County Internal Audit for the report, the Clerk and her team for the opportunity to learn more about the Elections process, and everyone for their participation.</p>	
Round Table	All	No additional comments made.	
Meeting adjournment	Chair Minh Dan Vuong	With no additional comments from the Committee, the meeting adjourned at 11:00 a.m.	
		<p>Next scheduled meetings:</p> <p>Wednesday, March 9, 2022 9:30 a.m. to 11:00 a.m. Location: TBD <i>Subsequently rescheduled to April 7, 2022</i></p> <p>Wednesday, June 8, 2022 9:30 a.m. to 11:00 a.m. Location: TBD</p>	Submitted by: Kathy Yeung

Clackamas County
Internal Audit Oversight Committee
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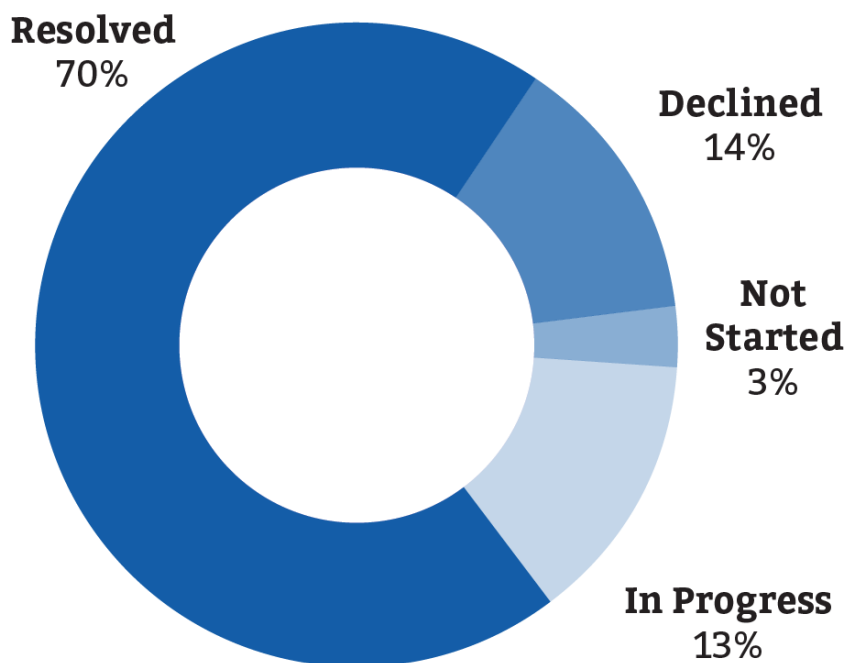
Item #3
Audit Recommendations – 2021 Status Report



Audit Recommendations & Management Responses 2021 Status Update

Internal Audit Recommendations

Audit recommendations draw attention to conditions of potential risk to the County. These risks may be barriers to the County's ability to achieve its strategic priorities. Supporting the County's risk management process, and in compliance with internal auditing professional standards, County Internal Audit monitors the status of outstanding audit recommendations and the progress management is making toward its intended resolutions.



12 Internal Audit reports have been issued to date.

Our Partners

- Clerk's Office
- County Administration
- Department of Transportation & Development (DTD)
- Finance
- Health, Housing & Human Services (H3S)
- Housing Authority
- Human Resources
- Justice Court
- Sheriff's Office (CCSO)
- Tourism & Cultural Affairs

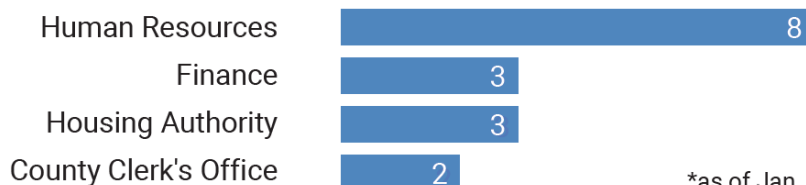


70% of all recommendations have been resolved with action.



79% of implemented controls and improved processes occurred within 24 months

Open Items by Department*



*as of Jan. 2022

Clackamas County
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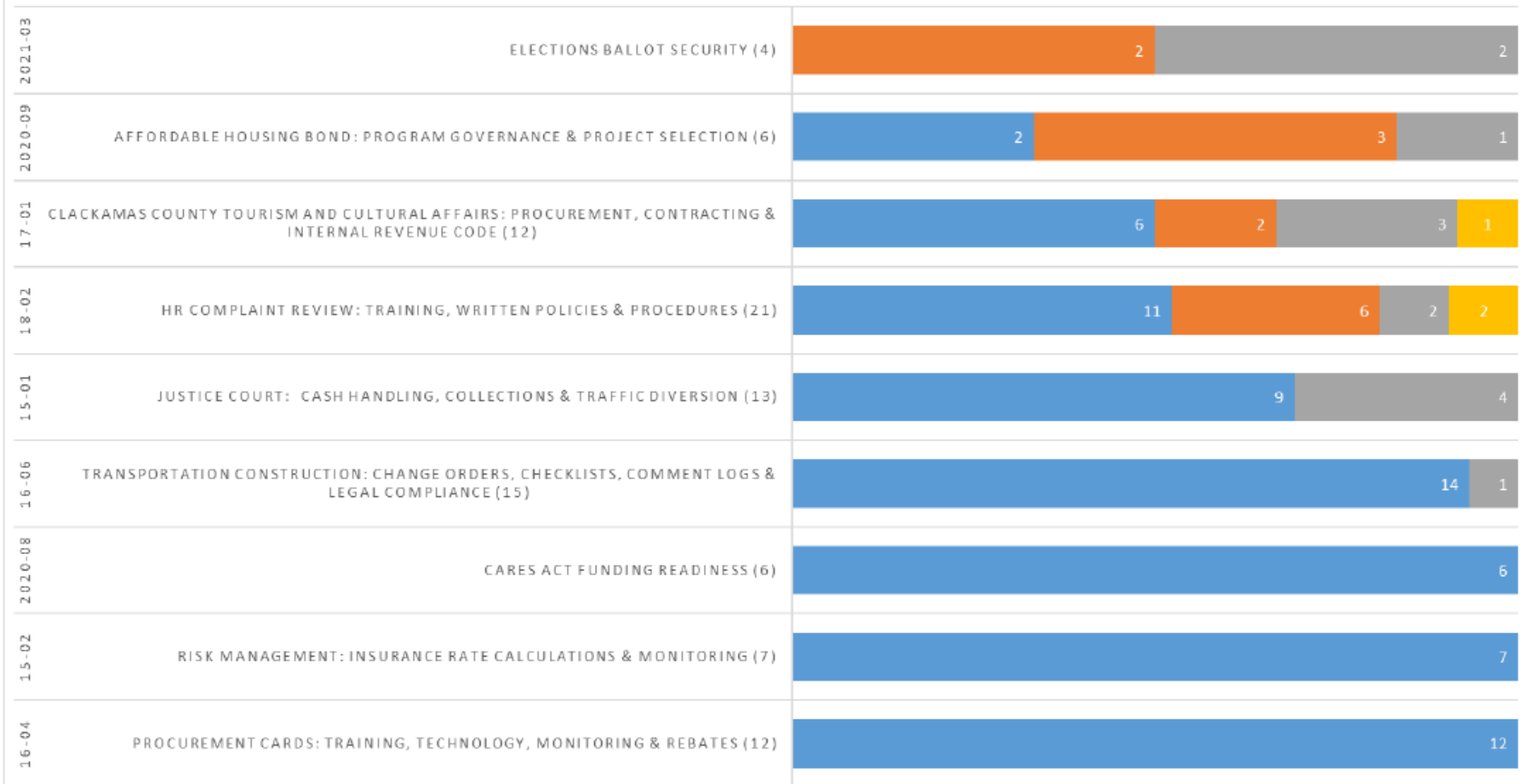
Item #4

Audit Report and Recommendations – 2021 Status Report

AUDIT REPORT & RECOMMENDATIONS: 2021 STATUS

STATUS DISPLAYED AS A PERCENT OF ALL RECOMMENDATIONS MADE IN AUDIT REPORT
NUMBER OF RECOMMENDATIONS BY STATUS PROVIDED

■ Resolved
 ■ In progress
 ■ Declined
 ■ Not yet started



- ✓ Twelve audit reports published through December 2021.
- ✓ Nine reports resulted in 96 audit recommendations. Three Financial Condition Analysis reports did not generate audit recommendations.

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
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Item #5
Office of County Internal Audit Charter



Office of County Internal Audit Charter

MISSION

The mission of the Office of County Internal Audit (Office) is to enhance and protect Clackamas County's organizational value by providing risk-based and objective assurance, advice, and insight.

VISION

The Office provides assurance, consulting, and investigative services to the public, employees and departments of Clackamas County so they can feel confident that the public's interests are protected and can engage with an accountable, high performing, and transparent local government.

PURPOSE

The County Internal Auditor establishes, implements, and monitors internal audit policies, procedures, and resources to provide independent, objective assurance, consulting and investigative activities designed to add value and improve County operations. The Office supports transparent, accountable, and informed decision-making and helps the County serve and enrich our community by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, and control processes.

AUTHORITY

The Office is established under the authority provided in County Code Chapter 2.15: County Internal Auditor. The County Internal Auditor is the Chief Audit Executive (CAE). The Chief Audit Executive reports functionally to the Internal Audit Oversight Committee (IAOC) and administratively to the elected County Treasurer. Functional oversight responsibilities of the IAOC include approving the risk-based audit plan, reviewing audit reports and recommendations, and providing input regarding the performance evaluation, appointment or removal of the CAE.

The Office is authorized to examine and evaluate the operations and activities of any office, department, political subdivision, or organization which receives appropriations from the Board of County Commissioners, or for which governing bodies are appointed by the Board of County Commissioners.

The Office is granted full, free and unrestricted timely access to all activities, information, records, property and personnel required to conduct an audit or otherwise perform audit duties. The Office has the authority to request reasonable assistance from County personnel in acquiring requested records, documents, and files, as well as inspection and entry privileges to all assets owned, leased, or borrowed by the County. Internal Audit staff are held strictly accountable for the safeguard of all materials and the confidentiality of information, when appropriate.

PROFESSIONALISM

The Office governs itself by adherence to The Institute of Internal Auditors' mandatory guidance, including the Definition of Internal Auditing, the Code of Ethics and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the Office's performance. The CAE annually affirms to the IAOC compliance with professional standards and the Code of Ethics.

INDEPENDENCE AND OBJECTIVITY

The Office remains free from influence by County management in any element, including matters of audit selection, scope, procedures, frequency, timing or report content to permit maintenance of necessary independent and objective mental attitude. The Office does not perform, or have authority over,

operational responsibilities or non-audit functions or duties subject to periodic internal audit assessments, as this may compromise its independence or objectivity.

Internal auditors exhibit the highest level of professional objectivity in gathering, evaluating and communicating information about the activity or process being examined. Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgments. Internal auditors have impartial, unbiased attitudes and avoid any conflicts of interest.

The CAE annually confirms to the IAOC the organizational independence of the internal audit function.

SCOPE OF WORK AND RESPONSIBILITIES

The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the County's governance, risk management and control process, as well as the quality of performance in carrying out assigned responsibilities to achieve its goals and objectives. The Office provides three types of services – assurance, consulting, investigative.

Assurance services are objective examinations of evidence to provide an independent assessment. The scope of work for assurance services is to determine whether the County's network of governance, risk management, and control processes is adequate and functioning to ensure:

- Risks are appropriately identified and managed;
- Financial, managerial and operating information is accurate, reliable and timely;
- Actions follow the County's policies, standards, procedures, and applicable laws and regulations;
- Resources are acquired economically, used efficiently, and adequately protected;
- Operational results are consistent with established objectives and plans;
- Quality and continuous improvement are fostered in the internal control process;
- Legislative or regulatory issues impacting the County are recognized and addressed appropriately;
- IT development and systems are appropriately managed, controlled and protected; and
- Audit recommendations are evaluated and implemented, as appropriate.

Consulting services are advisory and include service activities such as counsel, advice, facilitation, training and participation on standing or temporary management committees or project teams. The objective of consulting services is to add value in the development, modification or validation of County processes, procedures and controls to minimize risk and achieve objectives.

Investigative services are independent special reviews and investigations addressing allegations of fraud, waste, abuse, or misuse of County assets and resources. The Office develops, implements, and manages a County fraud, waste, and abuse hotline in providing these services.

QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

The Office maintains a quality assurance and improvement program. The program includes an evaluation of the office's conformance with the *Standards* and application of The Code of Ethics. The program assesses the efficiency and effectiveness of the internal audit function and identifies improvement opportunities. The CAE reviews program results with the IAOC at least annually.

The CAE reviews and assesses the adequacy of this charter with the IAOC at least annually. Revisions are submitted to the IAOC for approval. All approved revisions supersede prior Internal Audit charters.

COUNTY MANAGEMENT RESPONSIBILITIES

County management is responsible for the County's governance, risk management, and control processes. The performance of audits and reviews by the Office does not relieve management of any responsibilities.

Approved as revised this 22nd day of July 2020 by unanimous Internal Audit Oversight Committee vote, and in collaboration with the County Treasurer and County Internal Auditor.

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
Thursday, April 7, 2022

Item #6

Internal Audit Oversight Committee Charter – Draft revisions



Internal Audit Oversight Committee Charter and Bylaws

MISSION

Through oversight of the Office of County Internal Audit (Office) activities, enhance and protect Clackamas County's organizational value by promoting risk-based and objective assurance, advice, and insight.

VISION

Office of County Internal Audit assurance and consulting services enhance Clackamas County citizens', employees', and departments' confidence that the public's interests are protected and encourage engagement with an accountable, high performing, and transparent local government.

PURPOSE

The purpose of the Clackamas County Internal Audit Oversight Committee (Committee) is to ~~assist support, through the Office,~~ the Clackamas County Board of County Commissioners, County Administrator, and County departments in ~~the their~~ oversight of the County's system of internal controls, efficient and effective use of public resources, financial and operational reporting, information security, and compliance with laws, regulations, policies and ethics.

The Committee guides the activities of the Office and is a forum for all internal audit and external review issues affecting the County, including the monitoring and disposition of those issues. The Committee ensures the Office is independent and acts to promote its integrity and effectiveness. The Committee supports the Office in its efforts to bring a systematic, disciplined approach to evaluating and improving the efficacy of governance, risk management, and control processes.

AUTHORITY

The Committee is established under the authority provided in County Code Chapter 2.15: County Internal Auditor.

The Committee is authorized to review any matters within its scope of responsibility. It may:

- Evaluate management's responses to audit recommendations and noted opportunities for improvement;
- Ensure no unreasonable restrictions are placed on the County Internal Auditor;
- Facilitate transparent communication between the County Internal Auditor, County Administrator, and Board of County Commissioners; and
- Monitor Office activities by working with the County Internal Auditor.

COMPOSITION

The Committee is comprised of seven members - the Board of County Commissioners Chair, the Board of County Commissioners Vice Chair, the County Counsel, the County Administrator, and three members of the community appointed by the County Treasurer from a list of nominees submitted by the County Internal Auditor. The County Treasurer may serve as a non-voting member. The Committee membership represents a base of expertise in some of or all the following areas: local government, finance, risk, information security, and process improvement.

Community members must be Clackamas County residents and have no current relationships, financial or otherwise, in fact or appearance, with the County or its employees that would impair independence. Community members may serve three consecutive two-year terms.

One of the community members serves as the Committee Chairperson and is elected annually by the Committee.

MEETINGS AND RECORDS

Committee meetings adhere to Oregon Public Meeting Law. The Committee determines the frequency of its meetings, meeting at least three times annually. The Committee may invite guests to provide pertinent information. ~~The Office~~

~~provides staff resources to the Committee and maintains all Committee permanent records.~~ Meeting agendas and briefing materials are prepared and provided in advance. Written or recorded minutes are prepared and provided to each Committee member. A quorum consists of four voting Committee members. A quorum is required for all business requiring a vote of the Committee.

The Committee adheres to Oregon Public Records Law. The Office provides staff resources to the Committee and maintains all Committee permanent records. Distribution and retention of all Office and Committee records is administered through the Office. The Committee safeguards and maintains the security of unpublished information from unauthorized access. All public records requests are administered through the Office.

RESPONSIBILITIES

The Committee has a responsibility to:

Internal Control and Compliance

- Consider the effectiveness of the County's governance processes.
- Consider the effectiveness of the County's risk management processes.
- Consider the effectiveness of the County's control processes, including information security and fraud detection.
- Consider the effectiveness of the County's system for monitoring law, rule and policy compliance.
- Receive and review all significant internal audit and external review communications, reports, and management letters, as well as management's responses and follow-up activities.
- Review the results of management's investigation of any significant noncompliance event.
- Receive and review reports summarizing investigations of potential fraudulent activities, including resulting actions.

Office of County Internal Audit

- Review and assess the adequacy and effectiveness of the Office charter, activities, resources, qualifications and organizational structure, including compliance with The Institute of Internal Auditors' *International Professional Practices Framework for Internal Auditing, consisting of the Definition of Internal Auditing, Code of Ethics, and the Standards*.
- Review and approve the Office charter
- Ensure there are no unjustified restrictions or limitations on the County Internal Auditor.
- Review and approve the internal audit risk-based Audit Plan and all major changes to the Plan.
- Review and provide input in the appointment or dismissal of the County Internal Auditor, prior to the County's action.
- Review and provide input in the annual performance review of the County Internal Auditor.

Reporting Responsibilities

- Provide an open avenue of communication between the Board of County Commissioners, County Administrator, County departments, Office of County Internal Audit, and external auditors.
- Regularly, present to the Board of County Commissioners results of Committee and County Internal Audit activities.

Other Responsibilities

- ~~Review and assess~~Assess the adequacy of Committee charter and bylaws at least annually. Approve revisions, as needed.
- Confirm annually that all responsibilities outlined in this charter have been carried out.

COUNTY MANAGEMENT RESPONSIBILITIES

County management is responsible for the County's governance, risk management, and control processes. The review and assessment of these processes by the Committee does not relieve management of its responsibilities.

Approved this ~~22th-89th~~ day of ~~July-June~~ 2020-20221 by unanimous Internal Audit Oversight Committee vote.

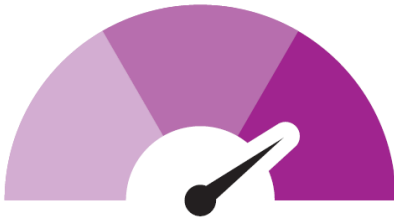
Clackamas County
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Item #7
2022 Audit Plan – Web Report



Audit Engagements 2022

Office of County Internal Audit



A high risk score does not mean an office or department is being managed ineffectively or internal controls are inadequate. It merely indicates the services it is responsible for are, by nature, high priority activities with high risk potential.

Highest Risk Potential

- Business and Community Services
- Clackamas County Sheriff's Office (CCSO)
- Community Corrections
- County Administration
- Department of Transportation & Development (DTD)
- Finance
- Health, Housing & Human Services
- Human Resources
- Technology Services
- Water Environment Services

Scoring Criteria

- ✓ Audit Frequency
- ✓ Complexity
- ✓ Financial Transactions
- ✓ Strategic Initiatives Impact

Using guiding principles, engagements have been selected and designed to address high risk potential, while optimizing County Internal Audit resources and impact. Additional audit engagements will be pursued as resources allow. Advisory and Good Government Hotline investigative services are equal priorities as we strive to add value.



Information Security Program *Technology Services*

An assessment of the County's current Information Security Program maturity level relative to industry standards and established maturity models. Identifying current and future states for the County's Information Security Program will support the County's continuous improvement efforts in a shifting environment of digital transformation and hybrid working environments.

Strategic Priority: Build public trust through good government



Emergency Rental Assistance Program

Health, Housing & Human Services: Social Services

An assessment of the County's compliance with federal, state and local funding rules and the equitable delivery of services. This engagement will inform management decisions and continuous process improvement efforts supporting rental relief assistance.

Strategic Priorities: Ensure safe, healthy and secure communities;
Build public trust through good government



Civil Rights and ADA Program

Equity and Inclusion Office

An assessment of the County's current organizational maturity level relative to federal regulations and industry standards. Identifying current and future states for the County's Civil Rights and ADA compliance programs will support the County's continuous improvement efforts in creating "a place where people thrive, have a sense of safety, connection and belonging, so that everyone is honored and celebrated for the richness in diversity they bring." (Clackamas County Equity and Inclusion Office vision statement)

Strategic Priorities: Ensure safe, healthy and secure communities;
Build public trust through good government



Healthcare Service Delivery

Health, Housing & Human Services: Health Centers

An assessment of the financial processes supporting healthcare services, including insurance billing and collections, as well as the equitable delivery of community healthcare services. Identifying successful practices and opportunities for enhancements will support the County's focus on optimizing service delivery through continuous improvement efforts.

Strategic Priorities: Ensure safe, healthy and secure communities;
Build public trust through good government



ARPA Business Support Program

Business & Community Services: Economic Development

An assessment of the County's compliance with federal, state and local funding rules and the equitable delivery of services in providing support to Clackamas County businesses directly impacted by COVID-19. This engagement will inform management decisions and continuous process improvement efforts through an analysis of the implementation and impact of the ARPA Business Support Program.

Strategic Priorities: Grow a vibrant economy; Build public trust through good government



Contract Administration

Finance

An assessment of the County's contract administration practices, supporting the County's efforts to streamline operations, improve efficiency and deliver services. This is a continuation and completion of an approved 2021 audit engagement.

Strategic Priority: Build public trust through good government



Outstanding Audit Recommendations & Management Responses

Annual status update

An assessment of the status of outstanding audit recommendations and the progress management is making toward intended resolutions.

Strategic Priority: Build public trust through good government



Guiding Principles

Reflect risk-based approach

Support County priorities

Emphasize public service and community impact

Consider comprehensive coverage

Optimize audit resources

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
Thursday, April 7, 2022

Item #8
2022 Audit Plan – Q1 Status



2022 Audit Plan

Assurance & Advisory Engagements – Q1 Status update

April 7, 2022

Engagements	Status	Hours – Budget/Actual Estimates	Notes
Finance - Contract administration	In progress	440* / 394	Fieldwork complete; Working draft communication distributed; Target report date end of April 2022. *Total engagement budget – Engagement started in 2021 (320 hours) to be completed in 2022 (120 hours).
NCPRD Governance	In progress	200 / 80	Fieldwork in progress; Target management letter date end of April 2022. Advisory engagement requested by management; Scope of review focuses on NCPRD governing structure and the NCPRD Board of Directors and District Advisory Board activities – Compliance with Oregon Public Records and Meetings Law and Local Contract Review Board rules. *Engagement hours (200) budgeted within Management Requests budget of 320 hours in total
BCS Economic Development – ARPA Business Support Program	In progress	320 / 20	Initial survey work started; Introductory meeting with BCS.
Equity & Inclusion Office – ADA & Civil Rights Compliance	Planning in progress	320 / 10	Initial coordination with the Equity & Inclusion Office.
H3S Social Services – Rent Relief Program	Not yet started	420 / 0	
TS – Information Security Program Maturity	Not yet started	320 / 0	
H3S Health Centers – Service delivery and transactions	Not yet started	420 / 0	
2022 Annual risk assessment	Not yet started	200 / 0	
2022 Audit monitoring	Not yet started	80 / 0	

Clackamas County
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Item #9
2022 Quality Assurance and Improvement Plan – Q1 Status



2022 Quality Assurance and Improvement Program

Q1 - Status update
April 7, 2022

QAIP Goals & Activity	Status	Notes
County Code	Complete	County Ordinance #05-2020 - September 23, 2020
IAOC Handbook*	Complete	IAOC onboarding tool; ongoing review and revisions
OCIA Webpage – Public internet	Complete	Review and maintenance ongoing;
Post-engagement customer survey*	Complete	Post-engagement survey process fully implemented and incorporated into ongoing activity.
OCIA Classification Series and Resources	In progress	Outstanding Senior Internal Auditor joined the team in July 2021! Development of County Internal Audit professional classification series continuing; Alignment with industry standards and Oregon market; Target completion April 2022.
OCIA Charter	In progress	Annual review – Target June 2022
IAOC Charter	In progress	Annual review – Target June 2022
IAOC Composition	In progress	Composition includes community membership –New community member to be appointed May 2022
Hotline governance	In progress	Annual summary reports to be published; Governance and control processes to be reviewed and revised to reflect new structure adopted in 2021.
OCIA Policy and procedure manual*	Not yet started	MFR target – 2021; To be addressed in 2022
OCIA Webpage – Intranet	Not yet started	
External Quality Assessment Review - Peer review*	Not yet started	Contract Target 2023

*QAIP goal & activity included in Performance Clackamas – Strategic Business Plan

Standard	Summary of Requirement	Q1	Q2	Q3	Q4
IPPF 1000.C1	The Office of County Internal Audit charter is reviewed with the IAOC to ensure its adequacy and compliance with <i>Standards</i> .				
IPPF 1010	The CAE discusses with the IAOC the Definition of Internal Auditing, the Code of Ethics, and the Standards – as documented within the Office of County Internal Audit charter.				
IPPF 1010	The CAE discusses with senior management the Definition of Internal Auditing, the Code of Ethics, and the Standards – as documented within the Office of County Internal Audit charter.				
IPPF 1110	The CAE confirms to the IAOC annually the organizational independence of the Office of County Internal Audit.				
IPPF 1111	The CAE communicates and interacts directly with the Board – providing annual activity updates.				
IPPF 1130.A1&A2	The CAE confirms to the IAOC annually the objectivity of the Office of County Internal Audit staff.				
IPPF1300	The CAE discusses the results of the Quality Assurance and Improvement Program, including ongoing monitoring of individual engagements, self-assessment results and recommendations, and external peer reviews.				
IPPF 2200 through IPPF 2450	The CAE discusses with the IAOC the results of individual engagement quality assurance reviews when presenting engagement results.				
IPPF 1312	The CAE discusses with the IAOC the form (full or validation) and frequency of external assessments, including the independence and qualifications of the external reviewer.				
IPPF 1320	The CAE communicates the results of the external assessment to the IAOC and the status of recommendations.				
IPPF 1320	The CAE communicates the results of the external assessment to senior management.				
IPPF 1321 & IPPF 1322	The CAE addresses with the IAOC the Office of County Internal Audit's use of statements of <i>Standard</i> conformity or nonconformity in engagement communications.				
IPPF 2040	The CAE confirms to the IAOC the adequacy of the Office of County Internal Audit policies and procedures, including the IAOC Member Handbook.				
IPPF 2050	The CAE reviews coordination of combined assurance functions within the county.				
IPPF 2500	The CAE monitors the status of all management recommendations (internal and external) and communicates the results to the IAOC to ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.				
IPPF 2600	The CAE communicates to the IAOC all circumstances in which the CAE has determined that senior management has accepted a level of risk that may be unacceptable to the county organization.				
IPPF 2010.A1 IPPF 2010. C1	The CAE performs and documents an annual countywide risk assessment, incorporating input from the IAOC, Board, and senior management.				
IPPF 1210 & IPPF 1230	The CAE demonstrates to the IAOC how the Office of Internal Audit collectively possesses or obtains the knowledge, skills, and other competencies needed to perform its responsibilities. CAE annually confirms compliance with all continuing professional education requirements.				
IPPF 1210.A2	The CAE addresses with the IAOC the sufficiency of fraud detection and investigation resources within the Office of County Internal Audit.				
IPPF 1210.A3	The CAE addresses with the IAOC the sufficiency of information technology auditing resources within the Office of County Internal Audit.				
IPPF 2000 & IPPF 2010	The CAE prepares and presents to the IAOC and senior management an audit plan which adds value to the county organization and represents a risk-based prioritization of Office of County Internal Audit resources.				
IPPF 2020	The IAOC reviews and approves the audit plan, considering resources limitations as communicated by the CAE.				
IPPF 2100 through IPPF 2130.C1	The CAE formally assesses and contributes to the improvement of county governance, risk management, and control processes – issuing an annual assessment report.				

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