

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
Tuesday, January 11, 2022

Item #1
Draft September 8, 2021 Meeting Minutes



DRAFT MEETING MINUTES

Internal Audit Oversight Committee

Wednesday, September 8, 2021
9:30 a.m. to 11:00 a.m.

Virtual meeting

- | | | | | | | |
|--|--|---|--|---|--|---|
| <input checked="" type="checkbox"/> Minh Dan Vuong, IAOC Chair, Community Member | <input checked="" type="checkbox"/> Darlene Kargel, Community Member | <input 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 Chief Audit Executive | <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	Chair Minh Dan Vuong opened the meeting and welcomed the IAOC members. Members introduced themselves. Jodi Cochran, CAE, and Minh Dan introduced and welcomed the new Senior Internal Auditor, Kathy Yeung.	None

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
		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 be taking public comment during the meeting. Emailed comments are welcome at OCIA@Clackamas.us . All comments received will be provided to Committee members."	
June 9, 2021 minutes	Jodi Cochran, CAE	The draft June 9, 2021 IAOC meeting minutes were presented. Stephen Madkour moved to adopt the draft minutes as written. Commissioner Savas seconded the motion. The motion was approved unanimously by voice vote.	June 9, 2021 minutes approved as written
Affordable Housing Bond	Jodi Cochran, CAE / Jill Smith, Housing Authority Director / Devin Ellin, HACC Sr. Housing Developer	Jodi presented the Affordable Housing Bond PowerPoint, which included why the engagement is important, what was found, 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 were no impairment to the independence or objectivity of the auditor. Clarification was made to highlight the difference between the Housing Authority of Clackamas County (HACC) Board and the Housing Advisory Board. Currently, the HACC Board is a six-membered Board consisting of the five current members of the Board of County Commissioner and one resident of Public Housing or a participant in the Section 8 Housing Choice Voucher program in good standing and residing in Clackamas County who also serves on the Housing Authority Resident Advisory Board. The Housing Advisory Board currently has ten members with industry experience. The IAOC discussed the history of the number of HACC Board members. Prior to any decisions of having a 7 th member, additional conversation will be held. Jill Smith, Housing Authority Director, and Devin Ellin, HACC Sr. Housing Developer, were present during the meeting to answer questions. Jill noted that 5 of the 6 recommendations have been implemented.	Informational

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
Change of Director – Engagement Update	Kathy Yeung, Senior Internal Auditor / Jodi Cochran, CAE	<p>Kathy presented the Change of Director PowerPoint. The first management letter was provided in April 2021, and the second management letter containing an update was provided in late July 2021. Additionally, the OCIA discussed the collaborative efforts through cross-departmental workgroups developed to accomplish the recommendations. It was also noted that Evelyn Minor-Lawrence, Director of HR, and her team would be included in the March IAOC meeting.</p> <p>The Committee asked about the separation process for those with negotiated contracts. Gary and Stephen noted that County Counsel and County Administration work together to look for consistency and review for the details in those employment contracts. Jodi also elaborated that throughout the audit and review process, County Internal Audit will bring up any questions and/or concerns to management’s awareness and have the conversations as needed. While there are opportunities to have further discussion, the OCIA performs an annual risk assessment to identify other risks for evaluation and determination of resource allocation for the upcoming year.</p>	Informational
2021 Annual Risk Assessment	Jodi Cochran, CAE	<p>Jodi presented the Clackamas County Risk Assessment and elaborated on the process, scoring, risk appetite, and next steps. In the prior years, the OCIA conducted around 50 interviews. With additional resources in the current year, the OCIA hopes to be able to conduct more interviews and incorporate discussion based on line of businesses instead of departments to alignment with Performance Clackamas/MFR goals.</p> <p>Darlene highlighted the importance of the risk assessment as conversation ensued about the ability to allocate resources, expertise, and time for the different high-risk areas. Although the IA budget is currently part of the Treasurer Department, it does not appear there are any barriers to obtain the resources</p>	Informational Jodi Cochran and Kathy Yeung will schedule interviews to meet 1:1 with committee members.

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
		<p>and support needed. Additionally, there is opportunity to flush out the budget to isolate specific budget areas for the internal audit line of business.</p> <p>Darlene also noted that in the private industry, it is common to see operational business lines/department set aside a percent of the budget to pay for audits performed. Consideration was given to a potential future meeting topic addressing the internal audit funding model.</p>	
2021 Audit Plan & Quality Assurance Improvement Program (QAIP) status update	Jodi Cochran, CAE / Kathy Yeung, Senior Internal Auditor	<p>Jodi reviewed the QAIP Q3 Status report.</p> <p>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 Q3 report details specific County Internal Audit strategies and goals. Additionally, it serves as a method of addressing specific Standards and ensuring accountability.</p> <p>Jodi highlighted a copy of the Election ballot security working copy is with County Counsel to review and make sure it meets the confidentiality expectations. Planning and survey work for the Contract Administration Audit is coming to a wrap as fieldwork is expected to begin soon.</p>	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 11:00 a.m.	
		<p>Special meeting: Wednesday, October 27, 2021 9:30 a.m. to 10:30 a.m. Location: TBD (Note: Subsequently rescheduled to Thursday, November 4, 2021)</p>	Submitted by: Kathy Yeung

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
		Next regular meeting: Wednesday, December 8, 2021 9:30 a.m. to 11:00 a.m. Location: TBD Note: Subsequently rescheduled to Tuesday, January 11, 2022)	

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
Tuesday, January 11, 2022

Item #2
Draft November 04, 2021 Meeting Minutes



DRAFT MEETING MINUTES

Internal Audit Oversight Committee

Thursday, November 4, 2021
4:00 p.m. to 5:00 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 Chief Audit Executive | <input checked="" type="checkbox"/> Kathy Yeung, County Senior Internal Auditor | | | | |

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
Welcome	Chair Minh Dan Vuong / Jodi Cochran, CAE	Chair Minh Dan Vuong and Jodi Cochran, Chief Audit Executive, opened the meeting and welcomed the IAOC members. It is noted the purpose of this meeting is to have an opportunity to talk about the risk assessment and feedback regarding the audit plan. No action is required.	None

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
		It was also announced that the meeting is a public meeting and is accessible via ZOOM to any member of the community who would like to observe. As there is no public comment during the meeting, emailed comments are welcomed at OCIA@Clackamas.us . All comments received will be provided to Committee members.	
Risk assessment process & scoring overview	Jodi Cochran, CAE	Jodi Cochran, CAE, provided a brief overview on the risk scoring methodology presentation, highlighting that auditable units are based on line of business. Risk scores are currently preliminary as they are based on FY2019-2020 data; as such, scores are subject to change with FY2020-2021 data.	Informational
Preliminary 2021 survey results and 2021 risk scores	Jodi Cochran, CAE / Kathy Yeung, Senior Internal Auditor	Kathy Yeung, Senior Internal Auditor, presented the Preliminary 2021 Survey Results, and Jodi Cochran, CAE, presented the Preliminary 2021 Risk Scores.	Informational
Preliminary 2022 engagements	Jodi Cochran, CAE	<p>Jodi Cochran, CAE, presented the Identified Audit Risks & Potential 2022 Engagements. The Committee asked clarifying questions and provided feedback on the high risk and potential engagements, such as removing the WES biosolid transportation engagement from the audit plan due to a pending Board decision. The Committee expressed agreement in the cybersecurity engagement, and expressed interest in an accounts payable process engagement.</p> <p>Members discussed the timeline for the elections audit engagement and the importance of public confidence in the elections process. Questions were asked regarding the Secretary of State Directive regarding post-election audits. Stephen Madkour provided a copy of the directive to the Committee. Jodi noted she is working with Public & Government Affairs to put together a report of the engagement.</p> <p>Further conversation was held regarding the allocation of the Office of County Internal Audit's time and resources. Jodi noted the audit plan will encompass not</p>	Informational

Issue	Presenter/ Staff Contact	Issue Description	Decision/Action/ Assignments
		only audit engagements, but will allocate time and resources for investigative and educational services.	
Round Table	All	The OCIA will coordinate with individual members to schedule the next IAOC meeting.	Determine date for next meeting – rescheduled from 12/8/21 AM
Meeting adjournment	Chair Minh Dan Vuong / Jodi Cochran, CAE	Chair Vuong praised the Office of County Internal Audit for providing a detailed report by conducting a deep and detailed level of assessment, and he thanked the committee members for their time and input. With no additional comments from the Committee, the meeting adjourned at 5:00pm.	
		Next regular meeting: TBD	Submitted by: Kathy Yeung

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
Tuesday, January 11, 2022

Item #3
Elections Ballot Security – Report presentation

County Clerk Elections Ballot Security: Observers welcome

A report by the County Internal Auditor

Why the audit is important

Local survey demonstrates an ongoing need to build confidence and trust in Oregon's election system; Public awareness and confidence in each step of an election process supports the integrity of the election



- ▶ In April 2020, Oregon was one of 5 states - Oregon, Colorado, Hawaii, Washington and Utah - which administered all elections entirely by mail.
- ▶ Reed College's nonpartisan Early Voting Information Center released results of its year-long voter study in April 2021, noting lack of trust in the election process.
- ▶ In May 2021, Clackamas County had over 305,000 registered voters, a 27.94% voter turnout rate and over 190 individual election contests.
- ▶ This audit was designed to assess the physical custody and security of cast paper ballots during receipt, processing and storage.

What we found

The County's public observation lobby provides an excellent election viewing opportunity; Chain of custody and security enhancement opportunities exist



- ▶ Over an 8 day period, more than 40 observers witnessed the May 18, 2021 Special District Election ballot processing.
- ▶ Over 60 temporary workers were hired to process ballots; many retirees who routinely return each election to serve the county.
- ▶ Heavy reliance is placed on the experience and integrity of the highly valued and trusted temporary workers.
- ▶ Recommendations from two prior elections reviews continue to be relevant.

What we did NOT address

Risks associated with the physical paper ballot were assessed. Information technology processes and risks were outside the engagement scope and objectives



- ▶ The engagement did NOT assess any information technology or advanced electronic systems (hardware or software) used in County elections, including systems used in signature verification or tallying.
- ▶ The engagement did NOT recount or verify any election results for any contest included in the May 18, 2021 Special District Election or any other election.
- ▶ The engagement did NOT validate the voter registration or eligibility process.

What we recommend

Enhance chain of custody controls and processes; Enforce physical security protocols



► Physical Security

1. Require both ingress and egress door access scans.
2. Secure loading dock door.

► Chain of Custody

- Enhance receipt protocols for damaged or non-standard return envelopes.
- Confirm Inspection Control Log batch reconciliations.

What is being done

The Clerk agrees with two of the four recommendations; Implementation efforts for physical security enhancements are underway; Target completion date - May 2022



► Physical Security

1. Ingress and egress door scans into main Election processing area required as of the November 2021 election.
2. Clerk coordinating with County Facilities to address loading dock door access and security. Target completion date - May 2022.

► Chain of Custody

3. Clerk disagrees with value of recommended action. "Adding steps to the process would slow the process significantly ... adding more expense to the election in personnel."
4. Clerk disagrees with value of recommended action. "Adding a hand count of all batches at the opening boards would significantly slow the process and add unnecessary expense to the election."

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
Tuesday, January 11, 2022

Item #4
2021 Annual Risk Assessment and 2022 Audit Plan –
Presentation



Proposed 2022 Audit Plan

Internal Audit Oversight Committee

January 11, 2022

2022 Audit Plan presentation topics

- ▶ Office of County Internal Audit role and responsibilities
- ▶ IAOC role and responsibilities
- ▶ 2021 risk assessment results
- ▶ Proposed 2022 audit plan
- ▶ Audit engagement evaluation criteria
- ▶ Proposed 2022 audit engagements
- ▶ Recommended IAOC action

Office of County Internal Audit role and responsibilities

- ▶ Perform and document an annual countywide risk assessment, incorporating input from the IAOC, BCC and County management
- ▶ Prepare and present to the IAOC an audit plan which adds value to the County and represents a risk-based prioritization of County Internal Audit resources
- ▶ Execute approved audit plan

Internal Audit Oversight Committee role and responsibilities

- ▶ Review the audit plan and provide feedback, considering:
 - the organizational independence of the Office of County Internal Audit,
 - the objectivity of the County Chief Audit Executive and staff,
 - the potential for resource limitations or barriers to audit work, and
 - the evaluation criteria for individual proposed audit engagements.
- ▶ Approve the audit plan
- ▶ Monitor progress of audit plan execution

2021 Risk assessment results

Based on the 2021 risk assessment analysis, the County offices and departments* facing the highest risk potential include:

- ▶ Business and Community Services
- ▶ Clackamas County Sheriff's Office
- ▶ Community Corrections
- ▶ County Administration
- ▶ Finance
- ▶ Health, Housing & Human Services
- ▶ Human Resources
- ▶ Technology Services
- ▶ Transportation & Development
- ▶ Water Environment Services

* Presented alphabetically

Proposed 2022 Audit plan

Proposed 2022 Audit Engagements

- Technology Services: Information Security Program maturity
 - Health, Housing & Human Services Social Services: Rental relief program (Management request)
 - Equity and Inclusion Office: Title II (Civil Rights) & Title VI (ADA) compliance (Management request)
 - Health, Housing & Human Services Health Centers: Service delivery and transactions
 - Business and Community Services Economic Development: ARPA Business Support program
- ▶ Six audit engagements, including the completion of the 2021 Contract Administration engagement
 - ▶ Five County departments addressed; potential broader impacted through observations and lessons learned
 - ▶ 25% of available resources focused on advisory activities and daily collaboration
 - ▶ Themes: Frontline community / public service; Federal, state and local regulatory and funding compliance

Audit engagement evaluation criteria

In compliance with The Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing (IIA Standards)

The engagement:

- ▶ **Is risk-based** – Engagements represent high or moderate risk areas based on the annual risk assessment (IIA Standards 2000 & 2100)
- ▶ **Supports County Strategic Priorities** – Engagement supports one of the five County strategic priorities, one of 10 BCC goals, and/or a department's mission (IIA Standards 2000 & 2100)
- ▶ **Emphasizes public services and community impact** – Engagement supports assessment of the availability, quality and equitable delivery of public services (IIA Standards 2000 & 2100)
- ▶ **Considers comprehensive coverage of County services and operations** – Engagement supports long-term goal of County Internal Audit interaction, assessment and impact within all County departments and divisions (IIA Standards 1300, 2000 & 2100)
- ▶ **Optimizes County Internal Audit resources** – County Internal Audit resources are adequate to conduct the engagement in a timely manner. County Internal Audit possesses the skills, knowledge, independence and objectivity to conduct the engagement. (IIA Standards 1100, 1200 & 2030)

Proposed 2022 engagement

TS: Information Security Program maturity

Evaluation standards:

- Risk-based
 - Supports County strategic priorities
 - Emphasizes public services and community impact
 - Considers comprehensive coverage of County services and operations
 - Optimizes County Internal Audit resources
- ▶ Risk score: 479 (High)
 - ▶ Strategic priority: Build public trust through good government
 - ▶ Security of customers private and sensitive information; Access to County systems to provide services
 - ▶ Has not been audited
 - ▶ Staff qualified to apply well-established program maturity models; Baseline engagement

Proposed 2022 engagement

H3S Social Services: Rent relief program

Evaluation standards:

- Risk-based
- Supports County strategic priorities
- Emphasizes public services and community impact
- Considers comprehensive coverage of County services and operations
- Optimizes County Internal Audit resources

- ▶ Risk score: 610 (High)
- ▶ Strategic priorities: Ensure a safe, healthy and secure community; Build public trust through good government
- ▶ Availability of, and access to, federal funding and rent relief
- ▶ 2020 audit resulted in 3 recommendations directly relevant to federally funded COVID19 service delivery
- ▶ Management requested engagement; Staff qualified to apply professional analytics; No resource barriers

Proposed 2022 engagement Equity & Inclusion Office: Title II (Civil Rights) & Title VI (ADA) program maturity

Evaluation standards:

- Risk-based
 - Supports County strategic priorities
 - Emphasizes public services and community impact
 - Considers comprehensive coverage of County services and operations
 - Optimizes County Internal Audit resources
- ▶ Risk score: 536 (High)
 - ▶ Strategic priority: Build public trust through good government
 - ▶ Direct impact on availability of public services; Continued receipt of federal funding
 - ▶ Has not been audited
 - ▶ Management requested engagement; Staff qualified to apply well-established program maturity models; Baseline engagement

Proposed 2022 engagement H3S Health Centers: Service delivery and billing transactions

Evaluation standards:

- Risk-based
 - Supports County strategic priorities
 - Emphasizes public services and community impact
 - Considers comprehensive coverage of County services and operations
 - Optimizes County Internal Audit resources
- ▶ Risk score: 500 (High)
 - ▶ Strategic priority: Ensure a safe, healthy and secure community
 - ▶ Availability of, and access to, low-cost, quality healthcare
 - ▶ Has not been audited
 - ▶ Staff qualified to apply professional analytics; No resource barriers

Proposed 2022 engagement

BCS Economic Development: ARPA Business Support program

Evaluation standards:

- Risk-based
- Supports County strategic priorities
- Emphasizes public services and community impact
- Considers comprehensive coverage of County services and operations
- Optimizes County Internal Audit resources

- ▶ Risk score: 301 (Moderate)
- ▶ Strategic priorities: Grow a vibrant economy; Build public trust through good government
- ▶ Availability of, and access to, federal funding and COVID19 relief
- ▶ Has not been audited
- ▶ Staff qualified to apply professional analytics; No resource barriers

Recommended IAOC action

Proposed 2022 Audit Engagements

- Technology Services: Information Security Program maturity
- Health, Housing & Human Services Social Services: Rental relief program (Management request)
- Equity & Inclusion Office: Title II (Civil Rights) & Title VI (ADA) compliance (Management request)
- Health, Housing & Human Services Health Centers: Service delivery and transactions
- Business and Community Services Economic Development: ARPA Business Support program

- ▶ Approve 2022 Audit Plan and time estimates as proposed on page 6 of the 2021 Risk assessment and 2022 Audit Plan document; supporting the identified audit engagements

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
Tuesday, January 11, 2022

Item #5
2021 Annual Risk Assessment and 2022 Audit Plan

2021 Risk Assessment 2022 Internal Audit Plan



December 2021

Prepared by:
Jodi Cochran, CPA, CIA, CGMA, CRMA
Clackamas County Chief Audit Executive

This 2021 County risk assessment and 2022 audit plan was presented to and received by the Clackamas County Internal Audit Oversight Committee **January 11, 2022.**

The 2022 Office of County Internal Audit audit plan for the period of January 01, 2022, to December 31, 2022, was adopted by the Clackamas County Internal Audit Oversight Committee **January 11, 2022.**

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Executive summary

The Office of County Internal Audit performs an assessment of Clackamas County's governance, risk management, and control processes, as required by audit standards. These standards require we evaluate the adequacy and effectiveness of these processes and inform management and the Clackamas County Internal Audit Oversight Committee (IAOC) of the assessment results. This evaluation reflects the Chief Audit Executive's professional observations and judgement and is based on the work performed during the year's assurance and consulting engagements, as well as during the annual risk assessment.

In addition to informing management and the IAOC about the adequacy and effectiveness of governance, risk management, and control processes, the annual County risk assessment supports development of the County Internal Audit audit plan (the plan). The risk-based plan is established to define annual County Internal Audit priorities, consistent with, and supporting, the County's goals and strategic initiatives.¹

The top areas of risk organizations are expected to face in 2022² include cybersecurity; regulatory compliance; diversity, equity and inclusion; talent management; and business continuity. Considering these trends and this County annual risk assessment, County Internal Audit recommends the 2022 audit plan allocate services to the following prioritized organizational areas and operational topics:

- Technology Services: Information Security Program maturity
- Health, Housing & Human Services Social Services: Rental relief program (Management request)
- County Administration: Title II (Civil Rights) & Title VI (ADA) compliance (Management request)
- Health, Housing & Human Services Health Centers: Service delivery and billing transactions
- Business and Community Services Economic Development: ARPA Business Support program

¹ International Standards for the Professional Practice of Internal Auditing (Standards): [Standard 2010 – Planning](#)

² Based on industry surveys and evaluations; Institute of Internal Auditors *OnRisk 2022*; Schneider Downs *Top Risks to Consider in 2022*; AuditBoard *Critical Risk Areas for Audit Efforts in 2022 and Beyond*; Audit Beacon *Risk in Focus*; Deloitte *Internal Audit Risks and Opportunities for 2022*

2021 Risk assessment

*A risk is the **potential** of an event happening that could impact the County's ability to achieve its objectives.*

The Office of County Internal Audit conducts an annual risk assessment to identify, analyze and evaluate potential risks to the County's ability to achieve its objectives. Professional standards³ require County Internal Audit establish a systematic, risk-based approach to determine the priorities for internal audit activities. County Internal Audit conducted the 2021 risk assessment to provide insight to County leadership and to aide in the allocation of County Internal Audit resources.

County Internal Audit established a risk assessment methodology, based on industry standards and best practices⁴. Auditable units were identified (Exhibit C). Risk criteria were defined and used in determining an overall risk score for each potential auditable unit (Exhibit B). The results were sorted to identify those auditable units with the highest risk scores (Exhibit A).

A risk is the potential of an event happening that could impact the County's ability to achieve its objectives. A high risk score generally indicates if something were to go wrong it could have a significant impact. A high risk score does not mean an auditable unit is being managed ineffectively or internal controls are inadequate. A unit with a high risk score merely indicates that the services or functions it is responsible for are, by nature, high priority activities with high risk potential because of factors as:

- having a large amount of expenditure or revenues;
- having a high level of sensitive or liquid assets, such as cash;
- management's assessment of the control environment; or
- a high degree of public interest.

Based on the 2021 risk assessment analysis, the County offices and departments facing the highest risk potential include⁵:

A high risk score does not mean an auditable unit is being managed ineffectively or internal controls are inadequate.

- Business and Community Services,
- Clackamas County Sheriff's Office,
- Community Corrections,
- County Administration,
- Finance,
- Health, Housing, and Human Services,
- Human Resources,
- Technology Services,
- Transportation and Development, and
- Water Environment Services.

³ International Standards for the Professional Practice of Internal Auditing (Standards): [Standard 2010 – Planning](#)

⁴ Wright, Rick; The Internal Auditor's Guide to Risk Assessment; IIA, 2018

⁵ Departments listed alphabetically. Complete 2021 Risk assessment results provided at Exhibit A

*Areas of high
risk potential:*

*BCS, CCSO,
Community
Corrections,
County
Administration,
DTD, Finance,
H3S, HR, TS,
and WES*

County Internal Audit scored risk for each auditable unit by receiving input from key stakeholders; evaluating unit complexity; assessing how the County would be impacted if a detrimental event were to occur in the unit; recognizing the unit's revenues and expenditures; considering the unit's direct involvement with County strategic initiatives; and applying professional judgment.

Information learned while providing County Internal Audit assurance and consulting services contributed to the identification and compilation of risk areas considered as audit plan topics for the auditable units facing the highest risks. County Internal Audit also considered any recent unit change or any residual risk due to past audit findings or known deficiencies. Results of the risk interviews and the 2021 departmental self-evaluations in the areas of control environment, risk assessment, control activities, information & communication, and monitoring activities played a part, as well, in the evaluation.

Audit topics were selected for the 2022 audit plan based on high risk level; auditability; County Internal Audit familiarity; County Internal Audit resource availability; and the County's risk awareness, culture, and appetite. Both the selected and remaining risk topics identified provide the evolving foundation for future annual risk assessments and the ongoing County Internal Audit strategic audit plan.

2022 Audit Plan

Proposed 2022 County Internal Audit audit plan and time estimates

No significant impairments, in fact or appearance, to County Internal Audit's independence or objectivity have been noted in the prior year or are anticipated during the coming year.

County Internal Audit is comprised of the Chief Audit Executive (CAE) and one Senior Internal Auditor. The CAE reports functionally to the Internal Audit Oversight Committee, responsible for reviewing the proposed County Internal Audit projects and jointly establishing priorities for the strategic audit plan, and administratively to the County Treasurer. The CAE prepares this report for the committee's review and approval. A total of 4,160 audit hours are available for this plan for the calendar year 2022.

Assurance and advisory engagements		
Finance – Contracted services ⁶	120	
H3S Social Services – Rent Relief Program	420	
BCS Economic Development – ARPA Business Support Program	320	
County Administration – Title II & Title VI compliance	320	
H3S Health Centers – Service delivery and transactions	420	
TS – Information Security Program Maturity	320	
Open audit recommendation monitoring	80	
Total assurance hours		2000
Advisory activities		
Meetings and team participation ⁷	540	
2022 Risk Assessment ⁸	200	
Management requests (including county Good Government Hotline and external audit coordination/facilitation)	320	
Total consulting hours		1060
Administration ⁹	820	
QAIP ¹⁰	280	
Total administration hours		1100
Total available hours		4160

⁶ Engagement started in 2021, minor fieldwork and reporting to be completed in 2022

⁷ BCC, EMT, EMT retreats, Quarterly Management Meetings, Finance Liaison, Information Security Committee, and Policy Committee. Periodic attendance at Strategic Implementation Team meetings; Advisory activities as requested by management

⁸ Risk assessment activity is required by standards. County risk assessment approach and process includes risk management awareness, risk education, and risk culture development.

⁹ Includes vacation; sick leave; training; Internal Audit Oversight Committee coordination and training; annual reporting; engagement with PNW ALGA, IIA Portland chapter of the Institute of Internal Auditors, and statewide CAE community; and staff management and administration of the audit function. (Estimated at 20% of available time, including 624 potential leave hours and 80 required training hours.)

¹⁰ County's internal audit function follows the IIA Standards, which require an ongoing Quality Assurance and Improvement Program, including an external quality assurance review (QAR) every five years. County's first QAR has a target date of 2023. Allocated hours for County Internal Audit QAIP development, implementation, preparation for external review, and ALGA Peer Review program.

2022 Assurance and Advisory engagements

Technology Services (TS)

Information Security Program maturity

Information is an asset that, like other important business assets, is essential to an organization's success. Information can exist in many forms. It can be printed or written, stored electronically, transmitted by post or electronic means, shown on films or through cameras, or spoken in conversation. Information needs to be suitably protected. Information security is the protection of information from a wide range of threats in order to ensure business continuity, privacy of information, and data integrity. The County relies heavily on the Technology Services department to provide high-quality, innovative and cost-effective technology which strengthens the use and availability of information.¹¹

Cybersecurity continues to be among the top identified risks facing organizations. The average cost of a data breach, globally, in 2021 was \$4.24 million, up from \$3.86 million in 2019. Large and small data breaches often go undetected for months and may take months to contain once detected. The average cost per lost or stolen record is \$146. The global average annual cost of cybercrime was expected to peak at \$6 trillion by the end of 2021. This rising cost is driven by the proliferation of ransomware attacks. The average cost of a ransomware breach was \$4.62 million, greater than the average cost of a data breach. Such an attack can cripple a local government's ability to provide services and support its community.¹² Clackamas County's Risk Management team has indicated insurance coverage for such incidents continues to increase, adding to the financial risk assumed by the County.

The top five most expensive data breaches in 2021 were through business email compromise, phishing, malicious insiders, social engineering criminal attacks, and vulnerability in third-party software.¹³ An information security program is crucial to managing these, and other, cybersecurity risks. Such a program is an ongoing cycle of identifying policy and requirements, training users, enforcing compliance, and assessing results. As security risks affect all parts of an organization, a high level of security maturity is essential to ensure key areas are protected.

An audit engagement of the County's Information Security program maturity would assess the County's current maturity level relative to industry standards and established maturity models at a high level. 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. The engagement would consider the risks related to business continuity, compliance with federal and state regulations, compliance with federal and state grant funding rules, and financial and legal obligations.

¹¹ Clackamas County Technology Services [website](#)

¹² Ponemon Institute 2021 Cost of Data Breach Study and report

¹³ Ponemon Institute 2021 Cost of Data Breach study and report; UPGuard article summary: [What is the Cost of a Data Breach in 2021?](#)

Addressing the security of the County's information assets supports the County's ability to maintain continuity of business operations, to protect the privacy of information, and to ensure data integrity. Additionally, this supports the County efforts to design and deliver services that make a difference and to measure County effectiveness in terms of results for County customers. Building public trust through good government is one of the County's five strategic priorities.

H3S Social Services

Rental relief program (Management request)

Clackamas County Social Services, a division of Health Housing and Human Services (H3S), helps seniors, people with disabilities, veterans, and low-income residents of Clackamas County.¹⁴ In response to the COVID-19 pandemic, the United States Department of the Treasury established guidance regarding the requirements of the Emergency Rental Assistance program (ERA). Through the Coronavirus Response and Consolidated Appropriations Act (December 2020) and the American Rescue Plan Act (ARPA) (March 2021) federal and state grantees may use the funds to provide financial assistance and housing stability services to eligible households. Case management and implementation of the ERA program within Clackamas County is the responsibility of the Social Services division of H3S.

A 2020 County Internal Audit engagement assessed the County's readiness to use early COVID-19 response Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. The engagement identified opportunities for improved documentation and program administration of the County's hotel voucher program. Allowable costs, transaction accountability, and client eligibility were areas for continued enhancements to this newly developed Social Services program. The County's COVID rent relief program represents an opportunity to review the application of lessons learned.

In November and December 2021 alone, over \$750,000 COVID rental relief payments were processed by Social Services to assist with current and back rent payments for Clackamas County community members in need.¹⁵

An audit engagement of the H3S Social Services COVID rent relief program would consider the risks related to compliance with federal and state grant funding rules, financial transactions, and equitable service delivery, including service delivery to vulnerable communities. This engagement has been requested by H3S leadership to better inform management decisions and efforts toward continuous process improvement.

Addressing a focus on the well-being of all Clackamas County families, the Board of County Commissioners (BCC) has identified that investments in providing services to those needing care; addressing hunger, homelessness, addictions, behavioral health needs; and reducing crime are keys to making Clackamas County communities safe. Ensuring a safe, healthy and secure community is one of the County's five strategic priorities. Additionally, the County's efforts to build

¹⁴ <https://www.clackamas.us/socialservices>

¹⁵ Calculation based on preliminary information provided by H3S

public trust through good government are recognized in the BCC goal that county service delivery will be equitable, inclusive and transparent.

County
Administration

Title II & Title
VI compliance
(Management
request)

In 1964 the federal government enacted the landmark Civil Rights Act of 1964. Title VI of the Civil Rights Act provides protections from discrimination based on race, color, or national origin, in federally funded programs, services and activities. In 1990, the Americans with Disabilities Act (ADA) was passed to prohibit discrimination and ensure equal opportunity for persons with disabilities in employment, state and local government services, public accommodations, commercial facilities and transportation. Title II prohibits local governments from excluding persons with disabilities from participation or deny persons with disabilities the benefits of the agency's services, programs or activities. Clackamas County receives federal funding and is subject to Title VI of the 1964 Civil Rights Act. Additionally, Clackamas County is subject to Title II of the ADA.

The County's Equity and Inclusion Office was established in 2020 and is a line of business within the County Administration department. The Office leads a culture of learning and awareness of equity and inclusion by guiding, supporting and collaborating with employees and residents in order to foster welcoming communities, and create greater connections where all people thrive and belong.¹⁶ ADA Title II and Civil Rights Title VI compliance is integral to the County's diversity and inclusion efforts.

An audit engagement of the County's Title II and Title VI compliance efforts would assess the County's current organizational maturity level relative to federal regulations and best practices at a high level. Identifying current and future states for the County's Title II and Title VI 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."¹⁷ The engagement would consider the risks related to compliance with federal regulations, compliance with federal and state grant funding rules, legal obligations, and equitable service delivery, including service delivery to vulnerable communities. This engagement has been requested by County Administration leadership to better inform management decisions and efforts toward continuous process improvement.

Addressing the County's compliance with Title II of the ADA and Title VI of the Civil Rights Act, supports County efforts to design and deliver services that make a difference and to measure County effectiveness in terms of results for County customers. Additionally, the County's efforts to build public trust through good government are recognized in the BCC goal that county service delivery will be equitable, inclusive and transparent.

¹⁶ Clackamas County Equity and Inclusion Office [website](#)

¹⁷ Equity and Inclusion Office Vision; Clackamas County Equity and Inclusion Office [website](#)

H3S Health Centers

Service delivery and billing transactions

Clackamas Health Centers, a division of Health, Housing and Human Services (H3S), provides low-cost, quality healthcare to the community. Centers accepts many health plans and bill insurance companies. Care is offered on a sliding fees scale to eligible uninsured and underinsured people. During FY20, the Health, Housing and Human Services division of Health Centers processed over \$100.8 million in financial transactions, including those supported by federally funded grants.

Health Centers' staff includes doctors, nurse practitioners, nurses and certified medical assistants. These health professionals treat everything from minor injuries to serious health problems. Mental health clinicians provide mental health assessments and treatment. Dental staff provide comprehensive dental care including exams, x-rays, cleanings and fillings. These community services are provided through seven health center locations, as well as in school based health centers.

The Clackamas Community Health Council is the governing board of Clackamas Health Centers. In partnership with the Board of County Commissioners, it is responsible for the oversight of clinical operations, health centers policy, and the recruitment of Health Centers leadership staff. The Council consists of community members. It represents the needs and interests of Clackamas County's health services and the people who use them.

An audit engagement of Clackamas Health Centers would consider the risks related to compliance with federal grant funding rules; financial transactions, including insurance billing and cash handling; and equitable service delivery, including service delivery to vulnerable communities.

Addressing a focus on the well-being of all Clackamas County families, the Board of County Commissioners has identified that investments in providing services to those needing care; addressing hunger, homelessness, addictions, behavioral health needs; and reducing crime are keys to making Clackamas County communities safe. Ensuring a safe, healthy and secure community is one of the County's five strategic priorities.

BCS Economic Development

ARPA Business Support program

In March 2021, the American Rescue Plan Act of 2021 (ARPA) was signed into law. This \$1.9 trillion bill was passed to support recovery efforts in response to the ongoing COVID-19 pandemic. Of this total, \$362 billion was allocated as emergency funding for state, local, territorial and tribal governments to provide relief to support public health response work and equitable economic recovery. Clackamas County's portion of ARPA funding is estimated at \$81.1 million. The first installment of \$40.6 million was received in May 2021 and receipt of the remaining amount is anticipated no earlier than May 2022. As of November 22, 2021, the County has allocated \$31.1 million of the \$40.6 ARPA funds received.¹⁸

¹⁸ Clackamas County [Recovery](#) public website

The County has established an ARPA Work Group with the intent to collect information and make recommendations on the use of the ARPA funds received by the County. All uses of the ARPA funding must abide by the United States Treasury Rule on how these funds can be used to respond to pandemic response needs, fill revenue shortfalls and support communities and populations hardest-hit by the COVID-19 crisis. The County has identified five qualifying goals for ARPA fund disbursement. Funds must be used to meet at least one of these actions: support public health response; address negative economic impacts; replace public sector revenue loss; invest in water, sewer, and broadband infrastructure; or provide premium pay for essential workers.¹⁹

The Economic Development division of the Business and Community Services (BCS) department strives to offer innovative incentives to help businesses thrive in Clackamas.²⁰ A total of \$4,150,000 ARPA funds have been approved for allocation to BCS. On June, 29, 2021, the BCC approved allocating \$150,000 to address Business Recovery Centers. This allocation supplements \$7.1 million in additional funding allocated by the 2021 State Legislature to Clackamas County. On July 13, 2021, an allocation of \$4,000,000 for a Business Support program was approved by the BCC. This program will provide services or direct funding to businesses directly impacted by COVID.²¹

An audit engagement of BCS ARPA programs would consider the risks related to compliance with federal and state funding rules and equitable service delivery, including service delivery to vulnerable communities.

Addressing Clackamas County business environments and good paying jobs are two of the Board of County Commissioners' goals which support the County's efforts to grow a vibrant economy. Additionally, the County's efforts to build public trust through good government are recognized in the BCC goal that county service delivery will be equitable, inclusive and transparent.

¹⁹ Clackamas County Recovery public website: [How will the funds be disbursed?](#)

²⁰ Clackamas County Business and Community Services [website](#)

²¹ Clackamas County Board of County Commissioners [January 5, 2022 ARPA Work Group Policy Session packet](#)

2022 Advisory and administration services

Chief Audit Executive (CAE) duties

CAE administrative duties are the management functions needed to maintain an effective County Internal Audit presence within the County. These tasks include supporting the Internal Audit Oversight Committee; connecting and collaborating with County leadership, management and staff; networking with other government CAEs; developing a collaborative network of other county internal audit functions; ensuring effective communication between County Internal Audit and County staff; ensuring County Internal Audit is complying with auditing standards; and providing leadership to promote value to the County through audit work.

Advisory

The CAE participates in a variety of County projects in an advisory capacity. This includes attending meetings, collaborating in workgroups, developing a visible presence in the County, supporting and responding to daily management and staff inquiries, and researching potential County risks and audit topics. Additionally, the CAE assists management in building formal risk management processes into the county strategic planning, provides consultative support and information related to risk management practices, and facilitates risk management assessments.

Governance, risk management, and control process assessment

County Internal Audit conducts an assessment of governance, risk management, and control processes to guide the annual strategic audit plan, as well as determine the continued effectiveness of the County's internal control structure in accordance with criteria established in the Internal Control Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). This assessment builds on the foundation developed during previous assessments.

Quality assurance and improvement program

Under professional auditing standards, County Internal Audit is required to have an annual internal program related to quality assurance and improving the internal audit function. Professional standards also require that an external quality assurance review (QAR) be conducted every five years. To meet this standard, the Office of County Internal Audit will participate in the Association of Local Government Auditors (ALGA) peer review program. The County's first QAR is anticipated in 2023. This timeframe may need to be adjusted as all ALGA peer review activity was delayed by 18-24 months due to COVID-19.

External audit support

County Internal Audit serves as a clearinghouse for final reports and communications regarding all external audits and reviews, including local, state, and federal program reviews; and other operational, licensure, and professional compliance monitoring activities.

2021 Auditable Units Model by Risk Score

Department and Line of Business	Risk Score	Risk Category	Audit 2022
DTD - Transportation	630	High	
H3S - Social Services	610	High	Yes
CCSO - Law Enforcement	566	High	
Finance - Facilities Management	553	High	
County Administration - County Administration Line of Business	536	High	Yes
CCSO - Public Safety	500	High	
H3S - Health Centers	500	High	Yes
H3S - Children, Family & Community Connections	492	High	
H3S - Public Health	492	High	
DTD - Fleet Services	491	High	
TS - Technical Services	479	High	Yes
CCSO - Sheriff Operating Levy	475	High	
TS - Communication Services	470	High	
BCS - County Parks & Golf	449	High	
Community Corrections - Reintegration	441	High	
WES	420	High	
CCSO - Training	412	High	
Community Corrections - Coordination	410	High	
CCSO - Administration	404	High	
HR - Administration	388	High	
DTD - DTD Administration	384	High	
DTD - Livable Communities	381	High	
BCS - Library	371	High	
DTD - Land Use & Development	370	High	
H3S - Behavioral Health Division	368	High	
H3S - H3S Administration	366	High	
TS - Applications	364	High	Yes
TS - Administration	360	High	Yes
County Clerk - Clerk's Office	343	Moderate	
Finance - Financial Executive Support	343	Moderate	
Finance - Financial Management & Accountability	337	Moderate	Yes*
Finance - Courier & Mail Operations Services	331	Moderate	
H3S - Housing & Community Development	331	Moderate	
DA - District Attorney's Office	329	Moderate	
Juvenile - Administration	324	Moderate	
Finance - Accounting Services	319	Moderate	Yes*
H3S - HACC	318	Moderate	
BCS - BCS Administration	311	Moderate	Yes

BCS - North Clackamas Parks & Recreation District (NCPRD)	305	Moderate	Yes
HR - Benefits, Wellness, Leave Management	302	Moderate	
BCS - Assets	301	Moderate	
BCS - Economic Development Line of Business	301	Moderate	
Disaster Management - Disaster Management & Medical Examiner	291	Moderate	
BCS - Extension and 4H Service District	290	Moderate	
HR - Workforce Design	282	Moderate	
HR - Risk & Safety Management	279	Moderate	
BCS - Fair & Event Center	275	Moderate	
HR - Employee & Labor Relations Management	267	Moderate	
CCOM - Clackamas 911 Services	258	Moderate	
CCSO - Enhanced Law Enforcement District	257	Moderate	
DTD - Targeted Improvement Areas	249	Low	
BCC - Commissioners Line of Business	233	Low	
DA - Victim & Support Services	233	Low	
DA - Family Support	229	Low	
DA - Justice & Public Safety	229	Low	
A&T - Administration	218	Low	
Juvenile - Public Safety	216	Low	
Juvenile - Accountability	212	Low	
Juvenile - Reformation	212	Low	
A&T - Property Tax Revenue & Records	209	Low	
A&T - Valuation	198	Low	
Treasurer's Office - Treasury Services	181	Low	
PGA - Strategy, Policy & Brand Identity	166	Low	
PGA - Communications, Engagement & Advocacy	165	Low	
County Administration - Tourism & Cultural Affairs Services	140	Low	
County Counsel - Office of the County Counsel Administration	113	Low	
County Counsel - Legal Support	112	Low	
County Counsel - Litigation & Labor	112	Low	
Justice Court - Justice Court Services	97	Low	
Resolution Services - Resolution Services	85	Low	
Law Library - Law Library Administration	66	Low	

(*) Audit work initiated in 2021; fieldwork and report to be completed in 2022

Risk Factor Definitions and Scoring Criteria

	A							B	C	D	E	F	G
Auditable Unit	Risk Assessment Survey Score	Strategic	Operational	Financial	IT	Legal Compliance	Customer Service	Total Business Complexity Risk Factors	Calculated Complexity Score	Financial Impact Score	Last Time Audit by IA Score	Strategic Impact Score	Total Risk Score
Example Unit A	80	2	2	2	2	2	2	12	960	96	25	40	1121
Example Unit B	10	0	0	0	0	0	0	1	10	.2	0	0	10.2

A Risk Assessment Survey Score - IA held interviews with key stakeholders from the various auditable units to help gain an understanding of risks and obstacles each department is facing and to gain a more thorough understanding of the duties and responsibilities of each department. These interviews were used to score the following areas of the department.

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring
- % of risk claims received during fiscal year
- # of Good Government Hotline reports received during fiscal year

IA scored the first 5 topic areas listed above based on professional experience, input received from stakeholders throughout the County, and IA observations. The claims and hotline scores are based on fiscal year summary data. This combined survey score was placed into Column **A**. The highest score possible for this section of the risk assessment was 80 points and the lowest was 10 points.

B Complexity of Unit and Impact to County - IA scored each unit based on an understanding of the complexity of processes overseen by the unit and the impact that an actual error in the unit's processes could have to the County as a whole. Complexity and impact were broken out into the following six areas.

- Strategic
- Operational
- Financial
- Information Technology
- Legal/Regulatory Compliance
- Reputation/Customer Service

IA scored each of these six complexity/impact areas (0 to 2) per auditable unit. The total complexity/impact score was used as a “multiplier” to help assess risk. The total complexity/impact scores were placed in Column **B** and used to compute Column **C** for each unit. The highest risk score possible for Column **C**, after the risk “multiplier” was considered, was 960 points and the lowest was 10 points.

D Financial Impact Score - IA scored each auditable unit based on how much revenues the unit processed during fiscal year 2021 (FY21) and how much expenditures the unit incurred during FY21. The concept in scoring this attribute was as the amount of revenues and/or expenditures increases in a unit, the risk for that unit also increases. IA used FY21 financial data extracted from the County’s accounting system. Total revenues and expenditures being processed were used to score the financial risk using the matrix below.

Financial Impact	Multiplier
> \$25,000,000	1.10
\$25,000,000 to \$15,000,001	1.08
\$15,000,000 to \$6,000,001	1.06
\$6,000,000 to \$2,000,001	1.04
\$2,000,000 to \$0	1.02

The highest score a unit could obtain from the financial risk scoring would be 96 ($960 * .10$) points, and the lowest possible score an audit unit could obtain from this scoring would be .2 ($10 * .02$) points.

E Last Time Audited by IA Score - IA assessed and scored audit frequency. IA used the following methodology when scoring the lapse of time since the last internal audit.

Last Time Receiving IA	
Never Audited	25
Audited 10+ yrs. Ago	15
Audited 8 yrs. Ago	9
Audited 5 yrs. Ago	7
Audited 3-4 yrs. Ago	5
Audited by IA in 2019	3
Audited during 2020 by IA	-

The highest score a unit could obtain from the audit frequency scoring would be 25 points, and the lowest possible score an audit unit could obtain from this scoring would be 0 points.

F BCC Strategic Initiatives Score - IA scored each auditable unit based on how much impact the unit has on the successful implementation of the Board of Commissioners’ 10 Strategic Initiatives. A risk score was assigned using the following Implementation Team participation matrix.

Strategic Impact - Implementation Team participation	
Team lead	4
Team member	2
Non-participant	-

The highest combined risk score possible for Column **F** was 40 ($10*4$), lowest 0 ($10*0$).

G Total Risk Score - The total risk score, the sum of Columns **C** to **F**, was placed in Column **G**. The highest attainable total risk score was 1121 points, and the lowest 10.2. IA designates high, moderate, and low risk units by general top, middle, and bottom third segments, sorted from highest to lowest risk score.

Auditable Units - Summary Descriptions

Defining the audit universe is a critical step in helping plan future internal audits at the County. Each auditable unit must be distinct and contain activities structured to obtain common objectives. Auditable units were generally identified based on discussions with staff and management, the “line of business” structure outlined in the County’s accounting software, the department structure outlined on the County’s website²², and the Department Strategic Plans²³. For the 2021 risk assessment, there are 72 auditable units.

1. **Assessment and Taxation – Administration** – The purpose of the County Administration Line of Business is to provide leadership, guidance, consultations and support services to the Board of County Commissioners, County Departments and the public so they can achieve and experience world-class customer service and results from Clackamas County government.
2. **Assessment and Taxation – Property Tax Revenue & Records** – The purpose of the Property Tax Revenue & Records Line of Business is to provide tax and property information services to the public, property owners, taxpayers, and taxing districts so they can receive quality customer service and timely and accurate information for decision making purposes.
3. **Assessment and Taxation – Valuation** – The Purpose of the Valuation Line of Business is to provide appraisal, statistical, analytical, special program eligibility, dispute resolution and correction services to property owners and taxpayers so they can have confidence that property is valued at 100% of real market value and they are paying the correct amount of tax.
4. **Board of County Commissioners** – The Board of County Commissioners (BCC) consists of five commissioners, all of whom are elected by a countywide vote. There exists one elected chair and all commissioners serve a four year term. The BCC serves as the governing body of Clackamas County and has the powers and duties granted to the governing body by law. The BCC sets policies, enacts ordinances and approves budgets to perform County services.
5. **Business & Community Services (BCS) – BCS Administration** – The purpose of the BCS Administration line of business is to provide leadership, strategic direction, communication, budgeting and financial management services to BCS programs so they can make informed decisions and provide sustainable, effective and well-managed services to those who live, work, visit or do business in Clackamas County.
6. **Business & Community Services (BCS) – Assets** – The purpose of the Assets line of business is to provide land and surplus property management services to County departments and elected officials on behalf of the public so they can make informed decisions regarding land development and infrastructure, and generate additional revenue to support, maintain, and enhance other public services.
7. **Business & Community Services (BCS) – County Parks & Golf** – The purpose of the County Parks and Golf line of business is to provide parks, facilities and recreation services to residents and visitors so they can participate in health and wellness activities that contribute to a strong and vibrant community.
8. **Business & Community Services (BCS) – Economic Development** – The purpose of the Economic Development line of business is to provide leadership consultation, economic analysis, investment and land banking services to policymakers, performance partners, businesses and property owners so they can help grow a vibrant and resilient economy.

²² e.g. <https://www.clackamas.us/departments>

²³ e.g. <https://www.clackamas.us/performance/plans.html>

9. **Business & Community Services (BCS) – Extension and 4H Service District** – The Extension and 4H Service District is identified as part of Business & Community Services and is used for tracking financials separately. For the purposes of the risk assessment, this program is identified its own auditable unit.
10. **Business & Community Services (BCS) – Fair & Event Center** – The purpose of the Fair and Event Center line of business is to plan and host the annual Clackamas County Fair and Rodeo and provide facility rental and event services to County residents and visitors so they can experience a unique heritage tradition and utilize an historic facility for a wide variety of business, community and private events.
11. **Business & Community Services (BCS) – Library** – The purpose of the Library line of business is to provide access to informational, recreational, community, cultural, and support services to library patrons so they can develop into lifelong learners and readers, satisfy intellectual curiosity, and strengthen communities.
12. **Business & Community Services (BCS) – North Clackamas Parks & Recreation District (NCPRD)** – The purpose of the NCPRD line of business is to provide access to parks, natural areas, trails, recreation services and facilities to district residents and visitors of all ages so they can enjoy living in vital and healthy communities.
13. **Clackamas 911 (CCOM) – Clackamas 911 Services** – The purpose of the Clackamas 911 Services line of business is to provide professional call processing, dispatching, technical and administrative services to the public, businesses and government agencies so they can have expedited and efficient access to public safety resources for emergency, non-emergency and life-critical events.
14. **Community Corrections – Coordination** – The purpose of the Coordination line of business is to provide leadership, support, logistics & infrastructure services to reintegration line of business so we can accomplish the mission of the agency.
15. **Community Corrections – Reintegration** – The purpose of the Reintegration line of business is to provide Parole & Probation, Community Service, Pretrial Services, Victim's Services, Residential Treatment & Counseling services to justice-involved individuals and those affected by crime so they can experience their best opportunity for successful, pro-social reintegration into the community.
16. **County Administration – County Administration** – The purpose of the County Administration Line of Business is to provide leadership, guidance, consultations and support services to the Board of County Commissioners, County Departments and the public so they can achieve and experience world-class customer service and results from Clackamas County government.
17. **County Administration – Tourism & Cultural Affairs Services** – Tourism and Cultural Affairs is charged with developing and administering a comprehensive destination marketing plan to enhance the quality of life for residents by achieving optimal economic benefit from tourism for county businesses, attractions and government. The Tourism program is funded by a countywide 6% transient lodging tax focused solely on tourism promotion and development that is guided by the Tourism Development Council and a five year Master Plan approved by the BCC.
18. **County Clerk – Clerk's Office** – The purpose of the Clerk's Office is to provide elections, records management, recording, property tax appeals, marriage and liquor licenses, and passport services to the public, County Departments and other government jurisdictions so they can promptly and efficiently conduct their business in a welcoming environment.
19. **County Counsel – Legal Support** – The purpose of the Legal Support Line of Business is to provide easy-to-access, easy-to-understand advisory, regulatory and transactional services to the County, its elected officials, departments and special districts so they can make well-advised, timely, legally informed decisions, and keep the delivery of services to the public moving.

- 20. County Counsel – Litigation & Labor** – The purpose of the Litigation and Labor Line of Business is to provide advice and representation at trial, mediation or other arenas, to the County, and its elected officials, departments and special districts, so they can manage and minimize risk, be represented in lawsuits, and appropriately administer labor and employment laws.
- 21. County Counsel – Office of the County Counsel Administration** – The purpose of the Office of the County Counsel Line of Business is to provide leadership, oversight, and legal consultation services to the County, and its elected officials, departments and special districts, so they can effectively implement their policy objectives, achieve success for County operations, and minimize risk and adverse results for the County.
- 22. Disaster Management – Disaster Management & Medical Examiner** – The purpose of the Disaster Management and Medical Examiner Line of Business is to provide critical coordination and response services to impacted individuals and communities who may be experiencing the worst days of their lives so they can recover.
- 23. District Attorney (DA) – District Attorney's Office** – The mission of the Clackamas County District Attorney is to provide leadership, support, and criminal justice services to the community and crime victims so they can experience justice and safety.
- 24. District Attorney (DA) – Family Support** – The purpose of the Family Support Line of Business is to provide establishment, enforcement, and case management services to families so they can support their children.
- 25. District Attorney (DA) – Justice & Public Safety** – The purpose of the Justice & Public Safety Line of business is to provide adult and juvenile criminal prosecution and support services to the public, crime victims, courts and law enforcement so they can experience and deliver justice, fairness and public safety.
- 26. District Attorney (DA) – Victim & Support Services** – The purpose of the Victim Support & Services Line of Business is to provide 24/7 comprehensive, collaborative advocacy, consultation, and victim rights services to crime victims and their families, prosecutors, and law enforcement so they can experience and provide a meaningful role in the criminal justice process, be safe, and be treated fairly, impartially, with dignity, and respect.
- 27. Finance – Accounting Services** – The purpose of the Accounting Services line of business is to provide accounting support services to County employees and departments so they can receive accurate and timely reporting.
- 28. Finance – Courier & Mail Operations Services** – The purpose of the Courier & Mail Operations Services line of business is to provide coordinated mail and package processing and distribution services to County Departments so they can conveniently receive and send mail and packages that support their business operations.
- 29. Finance – Facilities Management** – The purpose of the Facilities Management line of business is to provide preventative and corrective maintenance, construction and energy management services to the tenants of County managed facilities so they can conduct business in energy efficient, well-maintained, clean, safe and secure facilities.
- 30. Finance – Financial Executive Support** – The purpose of the Financial Executive Support Line of Business is to provide leadership, and administrative support services to department employees and system users so they have the tools and the information to do their job in alignment with the department's and Board of County Commissioners' strategic priorities.
- 31. Finance – Financial Management & Accountability** – The purpose of the Financial Management & Accountability line of business is to provide strategic financial planning, sourcing, and reporting services to County Departments so they can manage resources in a fiscally responsible manner and make informed decisions that support the achievement of their strategic and operational results.

- 32. Health, Housing & Human Services (H3S) – Behavioral Health Division** – The purpose of the Behavioral Health Division Line of Business is to work collaboratively with community partners to ensure the provision of coordination, support, outreach, education, and treatment services to Clackamas County residents so they can achieve their mental health and addiction recovery goals.
- 33. Health, Housing & Human Services (H3S) – Children, Family & Community Connections** – The purpose of the Children, Family & Community Connections Line of Business is to provide prevention, education, employment, and weatherization services to vulnerable residents of Clackamas County so they can experience healthy home, work, and school environments.
- 34. Health, Housing & Human Services (H3S) – H3S Administration** – The purpose of the H3S Administration Line of Business is to provide leadership and guidance services to the H3S Divisions and key internal and external stakeholders so they can meet service and program goals, have confidence in H3S, and seek out H3S for resources and guidance.
- 35. Health, Housing & Human Services (H3S) – HACC** – The purpose of the Housing Authority of Clackamas County is to provide voucher, public housing, development, maintenance, resident, and supportive services to individuals and families in need so they can experience stable, affordable, and quality housing.
- 36. Health, Housing & Human Services (H3S) – Health Centers** – The purpose of the Health Centers Line of Business is to provide patient-centered health care services to vulnerable populations so they can experience improved physical, dental, and behavioral health wellness.
- 37. Health, Housing & Human Services (H3S) – Housing & Community Development** – The purpose of Housing & Community Development Line of Business is to provide housing, shelter, revitalization, and supportive services to individuals and families in need so they can experience healthy, safe, and affordable housing in neighborhoods with improved access to services.
- 38. Health, Housing & Human Services (H3S) – Public Health** – The purpose of the Public Health Line of Business is to provide environmental health inspections and licenses, policy and assessment, access to care, infectious disease control, and education services to residents and businesses so the public can appropriately prevent, respond, and take action to ensure clean and safe places and a healthy population.
- 39. Health, Housing & Human Services (H3S) – Social Services** – The purpose of the Social Services Line of Business is to provide case management, financial support, information and referral, meaningful opportunities, and advocacy services to older adults, people with disabilities, Veterans, low income, and houseless persons so they can meet their basic needs, receive benefits they have earned, have choice in their life decisions, and successfully engage in their community.
- 40. Human Resources (HR) – Administration** – The purpose of the Administration Line of Business is to provide human resources direction, executive consultation and policy decision, and workforce data services to county administration, county departments and employees so they can have a business partner to achieve strategic and operational results.
- 41. Human Resources (HR) – Benefits, Wellness, Leave Management** – The purpose of the Benefits and Wellness Line of Business is to provide comprehensive benefits, disability management, planning, education and consultation services to county departments, and employees so they can create a workplace culture committed to practices that sustain a healthy and productive workforce and preserve financial resources.
- 42. Human Resources (HR) – Employee & Labor Relations Management** – The purpose of the Employee and Labor Relations Administration Line of Business is to provide collective bargaining and labor contract administration services to BCC, County Administration, and departments so they can define, understand, and administer employee relations, labor relations and discipline of employment and dispute resolution.

- 43. Human Resources (HR) – Risk & Safety Management** – The purpose of the Risk and Safety management Line of Business is to provide comprehensive loss prevention and control, risk management, planning education and consultation services to county departments, and employees so they can create a workplace culture committed to practices that eliminate risk, sustain a healthy and productive workforce and preserve financial resources.
- 44. Human Resources (HR) – Workforce Design** – The purpose of the Workforce Design Line of Business is to provide workforce planning and development, classification and compensation, and recruitment and selection services to county departments so they can plan for, attract and retain the qualified and diverse workforce they need to achieve their strategic results.
- 45. Justice Court – Justice Court Services** – The purpose of the Justice Court Services line of business is to provide judicial services to the public so they can access multiple options for resolution of violation citations and civil cases.
- 46. Juvenile Department – Accountability** – The purpose of the Accountability line of business is to provide intervention, and compliance monitoring services to youth so they can be accountable to victims and the community and repair harm they have caused.
- 47. Juvenile Department – Administration** – The purpose of the Administration line of business is to provide strategic planning, resource management, and continuous quality improvement services to the Juvenile Department so it can foster and sustain a high performance, responsive, and customer-focused culture and organization, and work effectively with community partners and stakeholders.
- 48. Juvenile Department – Public Safety** – The purpose of the Public Safety line of business is to provide assessment and detention services to youth so they can receive the appropriate level of monitoring and services that provides for community safety.
- 49. Juvenile Department – Reformation** – The purpose of the Reformation line of business is to provide targeted evaluation and rehabilitative services to youth so they can increase the competencies needed to transition to adulthood, live a crime free life, and be a contributing member of their community.
- 50. Law Library – Administration** – The Clackamas County Bar Association appoints the Law Library committee which administers the Law Library. The Library is entirely funded by an allocation of court “pass-through” fees and the one Law Library in Clackamas County exists in accordance with Oregon Revised Statute 9.815.
- 51. Public & Government Affairs (PGA) – Communications, Engagement & Advocacy** – The purpose of the Communications, Engagement and Advocacy Line of Business is to provide information, consultation, coordination, and advocacy services to the people of Clackamas County, their Board of County Commissioners, and other countywide elected officials so they can develop and strengthen relationships, achieve their policy priorities, and the people of Clackamas County can thrive.
- 52. Public & Government Affairs (PGA) – Strategy, Policy & Brand Identity** – The purpose of the Strategy, Policy and Brand Identity Line of Business is to provide strategic planning and messaging, policy analysis, and support services to the people of Clackamas County, their Board of County Commissioners, other countywide elected officials, and Public and Government Affairs staff so they can have equitable access, make informed decisions, and achieve results.
- 53. Resolution Services – Resolution Services** – The purpose of the Resolution Services Line of Business is to provide conflict resolution services to people and organizations experiencing conflict so they can resolve their differences peacefully, develop skills for the resolution of future conflicts and build safe, healthy relationships and communities.
- 54. Sheriff's Office (CCSO) – Administration** – The purpose of the Administration Line of Business is to provide executive leadership, administrative support, and operational support services to

Sheriff's Office employees so they can deliver quality law enforcement and public safety services to the community.

- 55. Sheriff's Office (CCSO) – Enhanced Law Enforcement District** – The purpose of the Enhanced Law Enforcement District (ELED) Program is to provide enhanced public safety, community partnership, education, and law enforcement services to those who live, work, and play within the ELED so they can enjoy safe, livable communities.
- 56. Sheriff's Office (CCSO) – Law Enforcement** – The purpose of the Law Enforcement Line of Business is to provide law enforcement and offender accountability services to the people of Clackamas County so they can experience and contribute to a safe and secure community.
- 57. Sheriff's Office (CCSO) – Public Safety** – The purpose of the Public Safety Line of Business is to provide security and protection through offender accountability services and court order enforcement to the people of Clackamas County so they can experience and contribute to a safe and secure community.
- 58. Sheriff's Office (CCSO) – Sheriff Operating Levy** – The Sheriff Operating Levy is identified as part of the Sheriff's Office and is used for tracking financials separately. For the purposes of the risk assessment, this program is identified its own auditable unit.
- 59. Sheriff's Office (CCSO) – Training** – The purpose of the Training Line of Business is to provide training, professional development, and personal wellness services to Sheriff's Office employees so they can achieve professional and personal fulfillment and deliver quality law enforcement and public safety services throughout their career.
- 60. Technology Services (TS) – Administration** – The purpose of the Administration Line of Business is to provide strategic technology, policy, planning and operational support services to Technology Services staff so they can support county departments in effectively utilizing technology resources in the performance of their jobs.
- 61. Technology Services (TS) – Applications** – The purpose of the Applications Line of Business is to provide business analysis, application development, data, geospatial and application integration, software installation and maintenance services to county departments and the public so they can utilize technology to make informed business decisions, have timely and reliable access to the information to share with their customers and to achieve desired results.
- 62. Technology Services (TS) – Communication Services** – The purpose of the Communication Services Line of Business is to provide telecommunications and fiber optic services to county departments and external agencies so they can meet their business communication requirements.
- 63. Technology Services (TS) – Technical Services** – The purpose of the Technical Services Line of Business is to provide reliable and secure technical infrastructure and customer support services to county departments and partner agencies so they can utilize technology resources to conduct their business.
- 64. Transportation & Development (DTD) – Administration** – The purpose of the Department Administration line of business is to provide leadership, management, communication financial and emergency support services to the Board of County Commissioners, decision-makers, department staff, other county departments, other agencies and the public, so they can provide well-managed programs so people can live, work, play and do business in Clackamas County safely and successfully.
- 65. Transportation & Development (DTD) – Fleet Services** – The purpose of the Fleet Services line of business is to provide fleet management and vehicle and equipment maintenance and repair services to public agencies so they can conduct business in safe, reliable and cost effective vehicles.
- 66. Transportation & Development (DTD) – Land Use & Development** – The purpose of the Land Use & Development line of business is to provide planning, property information and permitting

services to residents, property owners, the development community and businesses so they can experience a safe, thriving and well-planned community, make informed decisions, invest and develop property.

- 67. Transportation & Development (DTD) – Livable Communities** – The purpose of the Livable Communities line of business is to provide safety, compliance, resource conservation, solid waste and dog sheltering services to residents, property owners and businesses so they can experience a clean, safe, healthy and attractive community.
- 68. Transportation & Development (DTD) – Targeted Improvement Areas** – The purpose of the Targeted Improvement Areas line of business is to provide capital improvement, development and neighborhood enhancement services to residents, property owners, businesses and visitors so they can enjoy a safe, thriving and well-planned community.
- 69. Transportation & Development (DTD) – Transportation** – The purpose of the Transportation line of business is to provide safety, maintenance, engineering, construction and operations services to users of the transportation system so they can travel safely and efficiently in Clackamas County.
- 70. Treasurer's Office – Internal Audit Services** – The purpose of the Internal Audit Services Line of Business and Internal Audit Program is to provide assurance and consulting services to the public, employees, and departments of Clackamas County so they can feel confident that the public's interest are protected and can engage with a more accountable, higher performing, and more transparent local government.
- 71. Treasurer's Office – Treasury Services** – The purpose of the Treasury Services Line of Business and Treasury Program is to provide active banking, accounting, investing, managing, distribution, and safeguarding services to the public of Clackamas County so they can trust that their funds are secure and to the taxing districts and departments of Clackamas County so they can efficiently and effectively provide services to their customers.
- 72. Water Environment Services (WES)** – The mission of Water Environment Services is to provide resource recovery and watershed protection services to our community so we can live, work, and play in a healthy environment. WES consists of 4 lines of business: Business Services, Capital, Environmental Services, and Operations. The WES Payroll serves as a program for financial purposes for the pass through dollars, and will be used to calculate the financial component of the risk assessment. The purpose of the Business Services Line of Business is to provide administrative, human resources, and budgetary services to department employees, and advisory and budget committee members, so they can provide effective, well managed services and information to members of communities served by WES. The purpose of the Capital Line of Business is to provide strategy, analysis, projection, and new infrastructure services to WES ratepayers and decision makers so they can make well-informed decisions leading to timely and cost-effective infrastructure. The purpose of the Environmental Services Line of Business is to provide monitoring and assessment and pollution prevention services to WES staff, and permitting services to permit applicants, and the broader community so they can access and appropriately use WES' infrastructure and understand their potential impact on water quality. The purpose of the Operations Line of Business is to provide collection and conveyance, treatment, and resource recovery services to ratepayers so they can have properly functioning infrastructure that supports healthy waterways and a vibrant economy.

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Clackamas County
Internal Audit Oversight Committee
Meeting Materials
Tuesday, January 11, 2022

Item #6
Audit Plan – Q4 Status



2021 Audit Plan

Assurance & Consulting Engagements – Q4 Status update

December 31, 2021

Engagements	Status	Hours – Budget/Actual	Notes
Affordable Housing Bond - <i>HACC</i>	Complete – Report issued	320 / 302	Report issued April 12, 2021; Six recommendations made. Management agreed with all recommendations. Target implementation of all recommendations expected by December 2021.
Financial condition analysis - <i>CCSO</i>	Complete – Report issued	320 / 238	Report issued June 09, 2021; Financial Condition analysis only - Financial highlights offered, no determination of reasons for negative or positive performance; No recommendations made.
2020 Audit monitoring	Complete – Report published	80 / 94	2020 Activity delayed due to COVID; IAOC received updated data at March 10, 2021 meeting. Report published on OCIA website March 22, 2021.
Change of Director review	Complete – Two management letters issued	40 / 61*	Management letter issued April 16, 2021; Five recommendations made. Management agreed with all recommendations. Target implementation expected by July 2021. *21 hours - Monitoring activity completed July 2021; Status management letter issued August 2, 2021.
Election ballot security - <i>Clerk</i>	Complete – Report issued	300 / 354	Report issued December 10, 2021; Four recommendations made. Management agreed with 2, disagreed with 2. Target implementation expected by May 2022. Management Letter issued December 10, 2021.
2021 Annual risk assessment	Complete – Report issued	200 / 325	Report issued January 11, 2022. Resulted in 2022 Audit Plan with five recommended audit engagements. Significant survey effort this year. Survey feedback planned for late January 2022.
Contract administration - <i>Finance</i>	In progress	320 / 215	Fieldwork ongoing; Target report date late February / early March 2022.
2021 Audit monitoring	In progress	80 / 20	Self-report requests issued; Review and documentation due mid-January; Target report date January 31, 2022.

Clackamas County
Internal Audit Oversight Committee
Meeting Materials
Tuesday, January 11, 2022

Item #7
Quality Assurance and Improvement Plan – Q4 Status



2021 Quality Assurance and Improvement Program

Q4 - Status update
December 31, 2021

QAIP Goals & Activity	Status	Notes
County Code	Complete	County Ordinance #05-2020 - September 23, 2020
Office of County Internal Audit Charter	Complete	Annual review – Target July 2021
IOAC Charter	Complete	Annual review – Target July 2021
IAOC Composition	Complete	Composition includes community membership –Three community members appointed January 27, 2021
IAOC Handbook*	Complete	IAOC onboarding tool
Hotline governance	Complete	First meeting December 15, 2020; Charter adopted; Annual summary reports to be published and reported to IAOC
OCIA Webpage – Public internet	Complete	Review and maintenance ongoing;
Post-engagement customer survey*	Complete	Third survey administered (CCSO Financial Condition Analysis engagement); results provided for review; Post-engagement survey process fully implemented and incorporated into ongoing activity.
OCIA Staffing levels*	Complete	Outstanding Senior Staff Auditor candidate accepted employment offer in May 2021 - Joined the team in July 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	Target 2023 (ALGA resources expect to delay all peer review activity 12-18 months due to COVID19)

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 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 & IPPF1230	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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