



MEETING MINUTES

Internal Audit Oversight Committee

Thursday, April 7, 2022
3:00 p.m. to 4:30 p.m.

Virtual meeting

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|--|---|--|--|--|--|---|
| <input checked="" type="checkbox"/> Minh Dan Vuong, IAOC Chair, Community Member | <input checked="" type="checkbox"/> Darlene Kargel, Community Member | <input checked="" type="checkbox"/> Stephanie Gallegos, Community Member | <input checked="" type="checkbox"/> Tootie Smith, Chair of Board of County Commissioners | <input checked="" type="checkbox"/> Martha Schrader, Vice-chair of Board of County Commissioners | <input checked="" type="checkbox"/> Gary Schmidt, County Administrator | <input checked="" type="checkbox"/> Stephen Madkour, County Counsel |
| <input checked="" type="checkbox"/> Brian Nava, County Treasurer (non-voting) | <input checked="" type="checkbox"/> Jodi Cochran, County Internal Auditor | <input checked="" type="checkbox"/> Kathy Yeung, 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, County Internal Auditor, performed the roll call. It was announced: "Today's meeting is a public meeting and is accessible via ZOOM to any member of the community who would like to observe. We will not	None

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		be taking public comment during the meeting. Emailed comments are welcome at OCIA@Clackamas.us . All comments received will be provided to Committee members.”	
Recognition and appreciation	Chair Minh Dan Vuong	Chair Vuong thanked Darlene Kargel for her service of approximately two years as an IAOC community member. She has supported and voiced her strong appreciation for the audit function. Other IAOC members thanked Darlene for her service, and Darlene thanked the Committee for the opportunity to serve.	Recognition of past Committee member Darlene Kargel’s service
January 11, 2022, minutes January 24, 2022, special meeting minutes	Chair Minh Dan Vuong	<p>The draft January 11, 2022, and January 24, 2022, IAOC meeting minutes were presented.</p> <p>Tootie Smith, BCC Chair, moved to adopt the January 11, 2022, draft minutes as written. Martha Schrader, BCC Vice-Chair, seconded the motion. The motion was approved unanimously by voice vote.</p> <p>Martha Schrader moved to adopt the January 24, 2022, draft minutes as written. Tootie Smith seconded the motion. The motion was approved unanimously by voice vote.</p>	<p>January 11, 2022, minutes approved as written.</p> <p>January 24, 2022, minutes approved as written.</p>
Contract Administration Audit status update	Kathy Yeung, Sr. Internal Auditor	<p>Kathy Yeung, Senior Internal Auditor, provided a status update on the contract administration audit detailing the areas of focus and observations. Chair Vuong emphasized the audit’s in-progress status and was looking forward to reading the report. Chair Vuong provided Gary Schmidt, County Administrator, the opportunity to comment prior to opening it up for questions. Tootie Smith noted she is also looking forward to reading the report.</p> <p>Jodi provided the Committee more details about the audit’s purpose and process. Testing was performed at a high level, and small sample sizes were used to support observations of the contract administration performance and the opportunities to leverage current systems.</p>	Informational

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		Members discussed the importance of this audit in providing insights on compliance and the ability to look across all departments for systemic issues in current process flows.	
Audit report and recommendation monitoring	Jodi Cochran, County Internal Auditor	Jodi presented the Audit Recommendations & Management Responses 2021 Status Update and highlighted the overall status on the implementation of recommendations. Gary Schmidt provided feedback and expectations on the implementation of recommendations in departments led by County directors. Chair Vuong and Tootie Smith expressed appreciation for the County Administrator’s support for the implementation of audit recommendations that will improve County services and support cost saving strategies. Jodi thanked Gary for his support and how the OCIA will continue to develop recommendations that add value from the auditee’s perspective. The OCIA will advocate for well-informed decision-making and continue collaborative efforts.	Informational
2021 County Governance, Risk Management and Control Process Assessment Report	Jodi Cochran, County Internal Auditor	<p>The members discussed the 2021 County Governance, Risk Management and Control Process Assessment Report. Gary Schmidt thanked the OCIA for talking with all participants, and he will do his best to implement the recommendations in the report. Stephen Madkour, County Counsel, inquired if the decrease in employee engagement survey scores was attributable to COVID-19. Jodi commented on the background section of the report, which recognized the three local states of emergency. This report focuses on factual observations as opposed to speculated correlations. Gary noted the contractor for the survey discussed how the pandemic had minimal impact on the results based on similar studies with other jurisdictions.</p> <p>Stephen provided feedback on the leadership academy section of the report, and inquired about the fraud, waste, and abuse hotline. Brian Nava, County Treasurer, elaborated on the history of the hotline, the progression on how it has been used, and the confidentiality concerns. Brian then shared the ACFE’s</p>	Informational

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		<p>“Occupational Fraud 2022: A Report to the Nations” as a resource to learn more about the fraud environment and statistics.</p> <p>Chair Vuong summarized the report as a tool to identify areas of concern, workforce vacancies, performance measurements, and continuous improvement opportunities. The report is provided to meet audit standards of assessing and contributing to the improvement of county governance, risk management, and control processes through a risk assessment.</p>	
OCIA and IAOC Charters Review	Jodi Cochran, County Internal Auditor	The OCIA Charter and IAOC Charter and Bylaws were presented with draft revisions. Jodi will be working with Committee members to identify any revisions, feedback, and outreach. Actions will take place at the next meeting. Chair Vuong encouraged committee members to review as the charters are the foundation of work in the OCIA and in this Committee.	Informational
2022 Audit Plan & Quality Assurance Improvement Program (QAIP) status updates	Jodi Cochran, County Internal Auditor	<p>The web report for the 2022 Audit Plan—approved in January 2022—was presented. Upcoming audits emphasize the value in supporting the County’s goals, missions, values, and strategic priorities.</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 quarterly reports details specific County Internal Audit strategies and goals. Additionally, it serves as a method of addressing specific Standards and ensuring accountability.</p> <p>The QAIP Q1 Status report was provided, and Jodi mentioned the potential for a change in the committee meeting structure and time frame, which includes a change in the frequency of the QAIP discussion.</p> <p>Chair Vuong inquired about the request for the NCPRD Governance engagement, which was requested by the District Administrator of North Clackamas Parks and Recreations District, Gary Schmidt. The Committee also</p>	Informational

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		discussed the current ongoing engagements. Jodi noted in addition to the listed engagements, the Office undertakes numerous projects and activities to manage and ensure the internal audit function will continue to bring value. The last page on the document shows some of the standards the OCIA complies with, the areas of continued education, and how they are conducted. Chair Vuong expressed his appreciation for the transparency of the OCIA's activities.	
Meeting schedule	Chair Minh Dan Vuong	Chair Vuong brought attention to the change in meeting time to the afternoon. The expectation is to have everyone attend as many meetings as possible since there are approximately four to five meetings annually.	
Round Table	All	No additional comments made.	
Meeting adjournment	Chair Minh Dan Vuong	With no additional comments from the Committee, the meeting adjourned at 4:15 p.m.	
		<p>Next scheduled meetings:</p> <p>Wednesday, June 8, 2022 9:00 a.m. to 11:00 a.m. Location: TBD</p> <p>Wednesday, September 14, 2022 2:00 p.m. to 3:00 p.m. Location: TBD</p>	<p>Submitted by: Kathy Yeung</p> <p>Approved by Internal Audit Oversight Committee 06-08-2022</p>