

RESOLUTION OF THE BOARD OF SUPERVISORS OF  
ORANGE COUNTY, CALIFORNIA

February 9, 2016

WHEREAS, on April 25, 1995, this Board established the Internal Audit Department and transferred internal audit responsibilities and staff from the Auditor-Controller's Office to the Internal Audit Department through its adoption of Resolution No. 95-271; and

WHEREAS, Resolution No. 95-271 also established an Audit Oversight Committee to act in an oversight capacity over audits conducted by the Internal Audit Department; and

WHEREAS, the Audit Oversight Committee performs an important function in assisting the Board of Supervisors in fulfilling its oversight responsibilities with respect to financial reporting, internal controls, and internal and external auditor activities; and

WHEREAS, on July 24, 2007, this Board approved the creation of a performance audit function reporting directly to the Board and the Performance Audit Director position; and

WHEREAS, on August 4, 2015, this Board rescinded Sections 1 and 9 of Resolution No. 95-271, and transferred internal audit responsibilities from the Internal Audit Department back to the Auditor-Controller's Office effective August 21, 2015; and

WHEREAS, the Board of Supervisors desires to affirm and amend the duties and responsibilities of the Audit Oversight Committee in light of the creation of the position of Performance Audit Director and the transfer of internal audit responsibilities to the Auditor-Controller's office.

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby:

1. Repeal Resolution No. 95-271 dated April 25, 1995.
2. Establish an Audit Oversight Committee ("AOC") to provide independent review and oversight of the County's financial reporting processes and the County's internal controls, a review of the external auditor's report and follow-up on management's corrective action, and compliance with laws, regulations and policies.

3. Direct that the AOC shall be comprised of the following eight members: The Chair and Vice-Chair of the Board of Supervisors, the County Executive Officer, and five public members. Each member of the Board of Supervisors may nominate one public member for appointment by the Board of Supervisors. The term for each public member shall be four (4) years. The public members may be appointed or removed by the Board of Supervisors at any time.
4. Appoint the public members of the AOC established under Resolution No. 95-271 to the AOC established under this Resolution. The terms of the public AOC members appointed under this Section 4 shall run from the date they were last appointed to the AOC.
5. Direct that the newly created fifth public member shall serve an initial two (2) year term from January 1, 2016 to December 31, 2017 and each term thereafter shall be for four (4) years.
6. While public members need not be accountants, they should possess sufficient knowledge and experience in finance, business, or accounting to discharge the committee's duties.
7. Direct the AOC to perform the following duties to assist the Board of Supervisors, Auditor-Controller, and Performance Audit Director in fulfilling their oversight responsibilities with respect to: financial reporting; internal controls; and internal, external, and performance auditor activities:
  - a. Oversee the establishment and maintenance of the County's internal control structure, including oversight over the auditing activities of the Auditor-Controller.
  - b. Oversee the establishment and maintenance of the County's performance audit function, including oversight over the auditing activities of the Performance Audit Director.

- c. Consider the effectiveness of the frameworks for internal controls, review the effectiveness of systems for monitoring compliance with laws and regulations, and review the processes for communicating the County's compliance policies to County personnel and monitoring compliance therewith.
  - d. Review the quality of the County's financial reporting activities.
  - e. Provide oversight for the periodic review and selection of external auditors.
  - f. Review all findings in audit reports and consult with external auditors regarding any irregularities and deficiencies disclosed in the Comprehensive Annual Financial Report (CAFR) and other audit reports prepared by the County's external auditors.
  - g. Notify the Board of Supervisors should the AOC determine any significant or material irregularity exists in County operations.
  - h. Review the County's financial policies and procedures as requested by the Auditor-Controller and County Executive Officer.
  - i. Review the Auditor-Controller's receipt, retention, investigation and treatment of complaints to the County's Fraud Hotline, which are referred to the Auditor-Controller, but may not review records pertaining to the investigation of complaints.
  - j. Provide recommendations regarding the coordination and scheduling of external, internal and performance audits to avoid disruption of departmental work flows and duplication of effort.
8. Direct the Auditor-Controller's office to provide staffing and support for the AOC, but the Auditor-Controller shall not be a voting member of the AOC.
  9. Direct the Auditor-Controller, or his or her designee, to attend all AOC meetings.
  10. Direct the Performance Audit Director, or his or her designee, to attend all AOC meetings.

11. Direct the Treasurer-Tax Collector, or his or her designee, to attend all AOC meetings.
12. Direct that the AOC shall meet at least quarterly with authority to convene additional meetings as circumstances require.
13. Direct that meetings of the AOC be open to the public and subject to the Ralph M. Brown Act.

The foregoing was passed and adopted by the following vote of the Orange County Board of Supervisors, on February 09, 2016, to wit:

AYES: Supervisors: TODD SPITZER, LISA A. BARTLETT, ANDREW DO  
MICHELLE STEEL, SHAWN NELSON

NOES: Supervisor(s):

EXCUSED: Supervisor(s):

ABSTAINED: Supervisor(s):

  
 \_\_\_\_\_  
 CHAIRWOMAN

STATE OF CALIFORNIA )  
 )  
 COUNTY OF ORANGE )

**I, ROBIN STIELER, Clerk of the Board of Orange County, California, hereby certify that a copy of this document has been delivered to the Chairman of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange County Board of Supervisors**

**IN WITNESS WHEREOF, I have hereto set my hand and seal.**



  
 \_\_\_\_\_  
 ROBIN STIELER  
 Clerk of the Board  
 County of Orange, State of California

Resolution No: 16-014  
 Agenda Date: 02/09/2016  
 Item No: 27



I certify that the foregoing is a true and correct copy of the Resolution adopted by the Board of Supervisors, Orange County, State of California

Robin Stieler, Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy

RESOLUTION OF THE BOARD OF SUPERVISORS OF  
ORANGE COUNTY, CALIFORNIA, SETTING TERM OF OFFICE  
FOR AOC PUBLIC MEMBERS

July 14, 2020

WHEREAS, on February 9, 2016, by Resolution 16-014, this Board established an Audit Oversight Committee (“AOC”) to provide independent review and oversight of the County’s financial reporting processes and the County’s internal controls, a review of the external auditor’s report and follow-up on management’s corrective action, and compliance with laws, regulations and policies; and

WHEREAS, Resolution 16-014 provides that the membership of the AOC shall include five public members whose term shall be four (4) years; and

WHEREAS, Resolution 16-014 provides that the Auditor-Controller’s office is to provide staffing and support for the AOC; and

WHEREAS, on June 26, 2018, by Resolution 18-068, this Board established an Internal Audit Department independent from the Auditor Controller and reporting directly to the Board of Supervisors; and

WHEREAS, this Board of Supervisors desires to amend Resolution 16-014 in order to modify the term of office of the AOC public members, and to transfer the duties to staff and support AOC from the Auditor-Controller’s office to the Internal Audit Department.

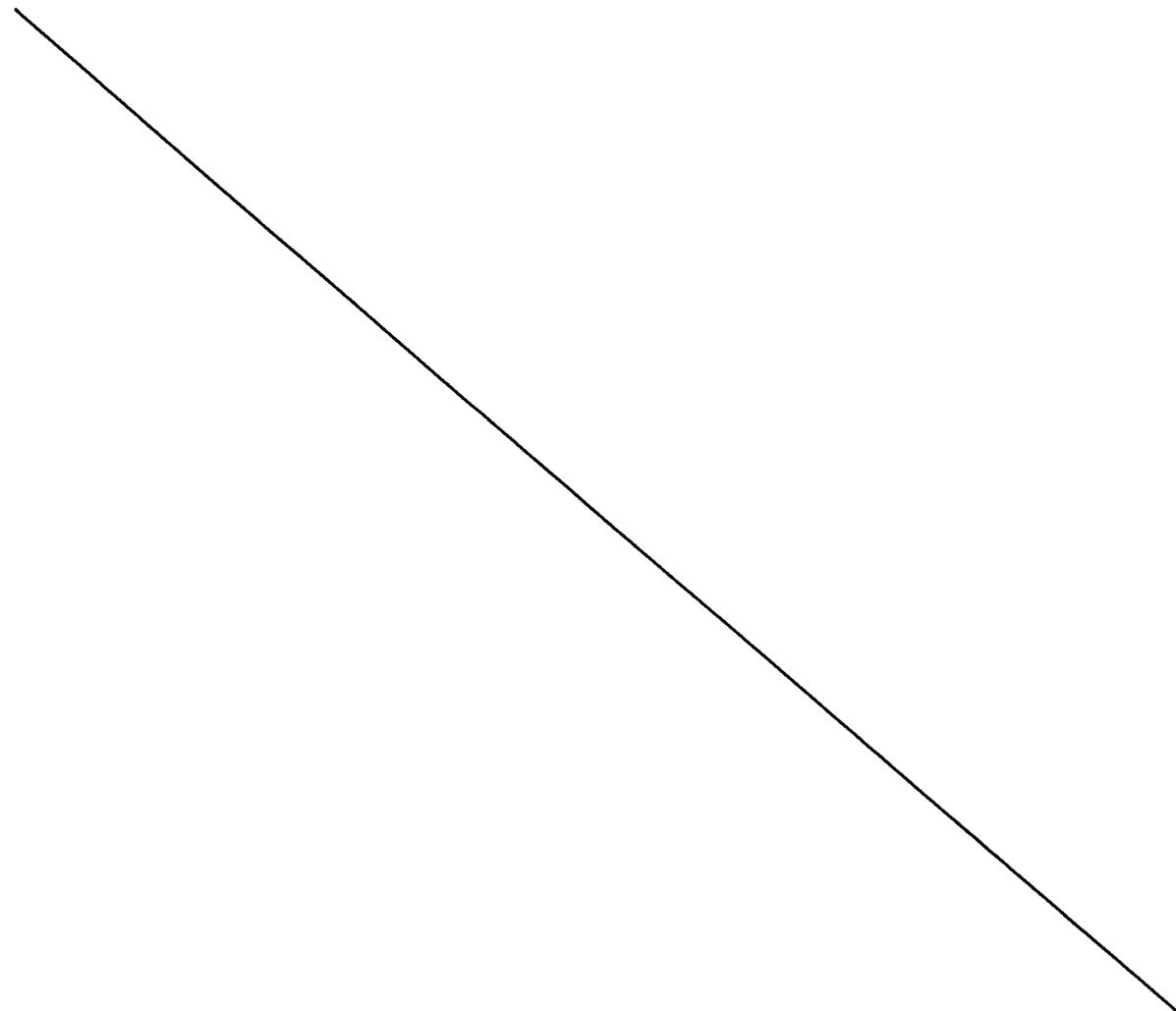
NOW, THEREFORE, BE IT RESOLVED that this Board does hereby:

1. Amend Resolution 16-014, replacing the third sentence of Section 3 with the following: “The term for each public member shall be coterminous with the term of office of the member of the Board of Supervisors that nominated such public member, not to exceed four (4) years.”
2. Amend Resolution 16-014, replacing Section 5 with the following: “Direct that the newly created fifth public member shall serve an initial two (2) year term from January 1,

2016 to December 31, 2017 and each term thereafter shall be governed by the requirements as stated in Section 3.”

3. Amend Resolution 16-014, replacing Section 8 with the following: “Direct the Internal Audit Department to provide staffing and support for the AOC. The Auditor-Controller shall not be a voting member of the AOC.”

4. All other provisions of Resolution 16-014, not otherwise expressly amended herein, shall remain in full force and effect.



The foregoing was passed and adopted by the following vote of the Orange County Board of Supervisors, on July 14, 2020, to wit:

AYES: Supervisors: ANDREW DO, LISA A. BARTLETT, DONALD P. WAGNER  
DOUG CHAFFEE, MICHELLE STEEL  
NOES: Supervisor(s):  
EXCUSED: Supervisor(s):  
ABSTAINED: Supervisor(s):

  
\_\_\_\_\_  
CHAIRWOMAN

STATE OF CALIFORNIA )  
                                  )  
COUNTY OF ORANGE )

**I, ROBIN STIELER, Clerk of the Board of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange County Board of Supervisors.**

**IN WITNESS WHEREOF, I have hereto set my hand and seal.**



  
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ROBIN STIELER  
Clerk of the Board  
County of Orange, State of California

Resolution No: 20-087  
Agenda Date: 07/14/2020  
Item No: 11



I certify that the foregoing is a true and correct copy of the Resolution adopted by the Board of Supervisors, Orange County, State of California

Robin Stieler, Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy