

YOLO COUNTY FINANCIAL OVERSIGHT COMMITTEE

MINUTES OF MEETING MAY 7, 2020

Note: This meeting was held via teleconference, pursuant to the Governor's Executive Order N-29-20 (March 17, 2020).

Members present on the call: Duane Chamberlain (Vice Chair – Supervisor), Richard Horan (Public Member), Crissy Huey (Education), Kristin Sicke (Special District), and Kimberly McKinney (Cities).

Members excused: Gary Sandy (Chair – Supervisor)

Others present on the call: Mindi Nunes (Asst. CAO), Chad Rinde (CFO), Tom Haynes (Assistant CFO), Mubeen Qader, (Chief Budget Officer), Edward Burnham (Treasury Manager), Marilyn Tiriboyi (Accounting Manager), Sarah Meacham, Ken Schiebel (PFM), Brandon Young, Debbie Harper (LSL), Kim Eldredge, Noemy Mora-Beltran, David Estrada, Douglas Port (Internal Audit), Lee Gerney (CIO) and Larry Raber (Public).

Moderator: David Estrada

Recorded by: Kim Eldredge

- 1) **Call to Order.** Duane Chamberlain called the meeting to order at 10:00 a.m. with Richard Horan, Crissy Huey, Kristin Sicke and Kimberly McKinney in attendance. Quorum was formed with five voting members present.
- 2) **Introductions.** Kimberly McKinney (new committee member) and Lee Gerney (County Chief Information Technology Officer) was welcomed to the meeting. Members above were on the call. Gary Sandy noted as absent.
- 3) **Approval of Agenda.** Agenda reviewed and approved; adopted (Sicke/Horn).
- 4) **Follow-up item from 2/05/2020 meeting.**
 - a) **Status of Public Member vacancy:** Chad Rinde reported that he had reviewed the applications and is recommending that the board pursue the appointment of Mr. Larry Raber as best qualified for the Public Member vacancy.
- 5) **Public Comment.** Chad Rinde reported that no public comments were received for the record.
- 6) **Approval of the 2/05/2020 meeting minutes.** Minutes accepted and approved (Huey/Sicke).
- 7) **Receive presentation of “Information Security Strategy” from the County Chief Technology Officer (Gerney).** At the request of the committee from last meeting 2/05/2019, Lee Gerney provided a presentation on information security and its complexity, Yolo County's Information Security Framework (management and governance), top risks to the organization, and Yolo County's Security Incident Management Framework. Richard Horan asked Lee, *“how are you tracking lessons learned? and what keeps you up at night? i.e. employees working at home, cybercriminal activity-phishing etc.* Lee stated that the County information systems reviews their practices on a quarterly basis and applies best practices. His department also looks at recent cyberattacks nationally and

determines the best approach to implement for the County. Lee noted that increased cyberattacks on the County network, user education (spam/phishing emails), and ensuring that all backup protocols are working are his main risks that keeps him up at night.

- 8) **Receive verbal update on the status of current engagements and the release of audit reports since last meeting from the Division of Internal Audit Activity.** Kim Eldredge provided an update on the internal audit activity and status of current engagements: County-wide Payroll Audit-delayed, due to pandemic and available resources from department; Report of Resolution of Audit Findings and Recommendations-completed, presented results to Audit Committee 5/06/2020; Preliminary Risk Assessment-Cash-completed, performed county-wide cash count, assessed internal controls and selected Health & Human Services Agency (HHSA) and Sheriff departments for cash audit; Cash Audits-Sheriff & HHSA-delayed, due to pandemic and available resources from departments. The auditors are preparing planning documents to begin one cash audit starting in June 2020; Purchase Card Continuous Auditing (review period 7/01/18 to 6/30/19)-in-progress, draft report completed and waiting on county management response to findings/recommendations. Richard Horan requested that future agendas include a list of audit projects.
- 9) **Receive Single Audit report 6/30/2019 and verbal update on status of the Yolo County Comprehensive Annual Financial Report (CAFR) for 6/30/2020 from the Independent Auditor's (LSL/Tiriboyi).** Brandon Young, Partner (LSL), presented the Single Audit for 6/30/2019. The auditors reported (1) one significant deficiency/instance of noncompliance in the *Program Title: "Unaccompanied Alien Children Program"* for failure to submit required reporting by submission deadline. This finding will not be repeated because program ended January 31, 2020 and will no longer require report submission. Debbie Harper, Partner (LSL), reported that the auditors are performing the interim audit work for the CAFR 6/30/2020 with a focus on today's environment.
- 10) **Receive Treasury audit reports and verbal update on the status of pending audits for quarters ended 9/30/2019, 12/31/2019, and 3/31/2020 (Burnham).** Edward Burnham provided a verbal report on the status of the treasury for quarters ended 9/30/2019, 12/30/2019, 3/31/2020 and noted that bank reconciliations are current and completed. Brandon Young added that the treasury audits are up-to-date and bank reconciliations have been confirmed as complete through 3/31/2020.
- 11) **Receive report on the Treasury Pool Investment Activity for the First Quarter ended March 31, 2020 (PFM/Burnham).** Sarah Meacham and Ken Schiebel (PFM) provided an economic update and overview of the investment portfolio performance for the First Quarter 3/31/2020.
- 12) **Confirm next meeting date.** July 15, 2020 at 10:00 to 11:30 a.m.
- 13) **Committee Member and Staff Announcements.** There were no committee member and staff announcements.
- 14) **Adjournment.** Meeting Adjourned at 11:33 a.m.