

# YOLO COUNTY FINANCIAL OVERSIGHT COMMITTEE

## MINUTES OF MEETING February 11, 2021

County Administration Building, County Admin Room  
625 Court Street  
Woodland, CA 95695

Members present: Gary Sandy (Chair – Supervisor), Angel Barajas (Supervisor), Richard Horan and Larry Raber (Public Member), and Crissy Huey (Education), Kimberly McKinney (Cities), and Kristin Sicke (Special District).

Others present: Patrick Blacklock (CAO), Chad Rinde (CFO), Tom Haynes (Assistant CFO), Marilyn Tiriboyi (Accounting Manager), Ryan Pistochini (Procurement Manager), Kevin Sorensen (Treasury) Mubeen Qader (Budget Manager) Ken Schiebel, and Sarah Meacham (PFM), Brandon Young (LSL), and Kim Eldredge, Noemy Mora-Beltran, and Douglas Port (Internal Audit).

Moderator: Kim Eldredge  
Recorded by Douglas Port

- 1) **Introductions: Welcome – Supervisor Barajas.**
- 2) **Call to Order.** Gary Sandy called the meeting to order at 10:01 a.m. with members Angel Barajas, Richard Horan, Larry Raber, Crissy Huey, Kristin Sicke, Kimberly McKinney in attendance. Quorum was formed.
- 3) **Follow-up of items from prior meeting.**
  - a) **Select FOC Chair and Vice Chair**

Gary Sandy approved as FOC Chair.  
MOVED BY: Angel Barajas / SECONDED BY: Crissy Huey  
AYES: . 7  
NOES: 0  
ABSTAIN: 0  
ABSENT: 0

Larry Raber approved as FOC Vice-Chair  
MOVED BY: Rich Horan / SECONDED BY: Angel Barajas  
AYES: . 7  
NOES: 0  
ABSTAIN: 0  
ABSENT: 0

- 4) **Approval of Agenda.** Agenda reviewed and approved.  
 MOVED BY: Kristin Sicke / SECONDED BY: Richard Horan  
 AYES: . 7  
 NOES: 0  
 ABSTAIN: 0  
 ABSENT: 0
  
- 5) **Public Comment.** There were no public comments.
  
- 6) **Approval of the 10/27/2020 meeting minutes.** Minutes accepted and approved.  
 MOVED BY: Kristin Sicke / SECONDED BY: Angel Barajas  
 AYES: 7  
 NOES: 0  
 ABSTAIN: 0  
 ABSENT: 0
  
- 7) **Review Financial Oversight Committee Charter and approve proposed changes (Eldredge/Rinde).** Kim Eldredge provided proposed changes to the Financial Oversight Committee Charter to add a public member to the Audit Subcommittee. Revisions also include a section that specifies how the Audit Subcommittee members should fulfill their duty overseeing the work of the County’s internal audit activity. Larry Raber suggested changing the language to the line stating “to fulfill this duty, committee members may to “should” to be consistent with the language used on the website.

**Approval of proposed changes to FOC Charter**

MOVED BY: Angel Barajas / SECONDED BY Richard Horan:  
 AYES: 7  
 NOES: 0  
 ABSTAIN: 0  
 ABSENT: 0

- 8) **Receive staff report on the status of current engagements and the release of audit reports since last meeting from the Division of Internal Audit (Eldredge/Mora-Beltran).**
  - a) **Status update** – Kim Eldredge gave a status of current engagements and audit reports completed since last meeting: Payroll Audit delayed due to available staffing resources, Purchase Card Continuous Auditing FY 19-20 completed, Countywide Telecommuting Audit completed, and Special District Transit Audit-Restricted completed. Kim mentioned that one of her internal audit staff has left to pursue employment outside the County. The auditor position has been posted and recruitment closes on February 19, 2021.
  
  - b) **Presentation – Purchase Card Trend Analysis**  
 Noemy Mora-Beltran presented an overview of the Purchase Card Continuous Auditing for FY 2019-20. Some highlights were purchase card activity decreased during the COVID shelter-in-place order by 24%, top ten merchants included Amazon, Wal-Mart and Southwest Airlines with items purchased for cleaning and office supplies for clients. Use of purchase cards to acquire gift cards was a concern to several of the FOC Members in the following area: card limits, buying local, program client expenses-tracking, using business accounts (Amazon), and auditing of gift cards. Noemy explained that many of the gift card purchases were made by the Health and Human Services Department for their clients. Each gift card was apx. \$20 mainly for food and gasoline. The HHS department is planned for a cash audit in FY21-22 that includes a review of their gift card inventory.

Noemy discussed that the purchase card program needs improvement with supporting documentation, business purpose, splitting transactions, and authorization approvals. Richard Horan stated the same exceptions keep occurring and what is the penalty for not complying with the purchase card policy and procedure. Ryan Pistoehini, County Procurement Manager, stated that new policies and procedures have been issued to departments and that a training program for Cal Cards has been established. Ryan mentioned that a matrix for policy violations is being developed currently and that cardholders will be held more accountable for threshold violations with the potential for card suspensions and/or deactivations.

- 9) **Receive presentation of the Yolo County Comprehensive Annual Financial Report (CAFR) from the Independent Auditor's (LSL/Tiriboyi).** Brandon Young, Partner (LSL), provided an update on the CAFR FY 2019-20. This year's audit was done entirely by remote due to the pandemic. The report was an unmodified opinion. Larry Raber asked how people working remotely affect your audit in relation to risks. Were there any findings regarding proper controls in place with people telecommuting. Brandon said there were no significant issues. Other issues Brandon talked about were pension liabilities, the waste management unit closing a landfill, corrected and uncorrected misstatements, and new accounting standards.
- 10) **Receive staff report on budget update (Qader).** Mubeen Qader provided an update of the County budget and the budget tracking report for Q2 FY20-21. He explained the use of a "Watch Category" (1-working with the department, 2-closely monitoring, 3-no concern) to monitor budget concerns.
- 11) **Receive Treasury audit reports\_ quarters ended 6/30/2020 9/30/2020 and verbal update on the status of pending audits for 12/31/2020 (Rinde).** Chad Rinde provided an update on the Treasury Audit Reports. There was one finding on the QE 9/30/2020 report, the "Equipment Acquisition Fund reconciliation was prepared on August 18, 2020 44 days following the end of the quarter.
- 12) **Receive report on the Treasury Pool Investment Activity for the Fourth Quarter ended December 31, 2020 (PFM/Rinde).** Sarah Meacham (PFM) and her team provided an economic update and overview of the investment portfolio performance for the Fourth Quarter 12/31/2020.
- 13) **Confirm next meeting date.** May 13, 2021 at 10:00 to 11:30 a.m.
- 14) **Committee Member and Staff Announcements.** Richard Horan stated that the County needs to incorporate cybersecurity into audits. There were no other committee member and staff announcements.
- 15) **Adjournment.** Meeting Adjourned at 11:34 a.m.