

OPEN SESSION AGENDA ITEM

SEPTEMBER 2018 AUDIT COMMITTEE ITEM III.C.

DATE: September 13, 2018
TO: **Members, Audit Committee**
FROM: Linda Katz, Principal Program Analyst, Office of Research and Institutional Accountability
SUBJECT: **Review Implementation of Recommendations from State Auditor and Other External Audits**

EXECUTIVE SUMMARY

The State Bar has undergone many audits over the past several years. The purpose of this agenda item is to provide a report on the status of compliance with each of those audits.

BACKGROUND

The State Auditor regularly conducts audits of the State Bar, pursuant to direction from the Legislature. The reports produced by the State Auditor provide recommendations for improvements to State Bar operations, policies and procedures. The State Bar has engaged consulting firms to conduct audits and make recommendations in these areas, as well. The following audits have been conducted since 2015:

Bureau of State Audits Report 2015-30 (June 2015)
Bureau of State Audits Report 2015-47 (May 2016)
Bureau of State Audits Report 2017-30 (June 2017)
Moss Adams Internal Audit and Policy and Procedure Review (March 2018)
Netxperts Cybersecurity Audit (December 2017)

The majority of recommendations in each of these reports has been implemented, as discussed below.

DISCUSSION

Following is that implementation status of the recommendations from each audit report:

- 1. Bureau of State Audits Report 2015-30 (June 2015)**
Number of recommendations: 14
Recommendations fully implemented: 13
Recommendations with implementation in progress: 1
- 2. Bureau of State Audits Report 2015-47 (May 2016)**
Number of recommendations: 22

Recommendations fully implemented: 16
Recommendations with implementation in progress: 1
Recommendations that require no action: 5

3. Bureau of State Audits Report 2017-30 (June 2017)

Number of recommendations: 17
Recommendations fully implemented: 15
Recommendations with implementation in progress: 1
Recommendations that will not be fully implemented: 1

4. Moss Adams Internal Audit and Policy and Procedure Review (March 2018)

Number of recommendations: 70
Recommendations fully implemented: 38
Recommendations with implementation in progress: 32

5. Netxperts Cybersecurity Audit (December 2017)

Number of recommendations: 44
Recommendations fully implemented: 31
Recommendations with implementation in progress: 6
Recommendations that will be implemented in the future: 4
Recommendations that require no action: 3

FISCAL/PERSONNEL IMPACT

None

RULE AMENDMENTS

None

BOARD BOOK AMENDMENTS

None

STRATEGIC PLAN GOALS & OBJECTIVES

Goal: 3. Improve the fiscal and operational management of the State Bar, emphasizing integrity, transparency, accountability, and excellence.

RECOMMENDATION

None

ATTACHMENT(S) LIST

None