



The State Bar *of California*

OPEN SESSION
AGENDA ITEM
SEPTEMBER 2020
AUDIT COMMITTEE III.C

DATE: September 15, 2020

TO: Members, Audit Committee

FROM: John Adams, Chief Financial Officer

SUBJECT: Audit Committee 2019–20 Work Plan Review

EXECUTIVE SUMMARY

This agenda item presents the Audit Committee 2019–2020 Work Plan and provides a status of the work plan for discussion.

BACKGROUND

To strengthen the Board committee process, each Board committee, with staff assistance, develops a work plan summarizing the annual, recurring and time-limited items to be undertaken, the strategic goal(s) and objective(s) furthered by each item, and an estimated timeline for the completion of this work.

Work plans for the 2019–2020 Board year were developed in the winter of 2019 and approved by the Board Executive Committee in January 2020. Work plans are aligned with the Board's larger strategic planning efforts and items are linked to the State Bar's Strategic Plan.

DISCUSSION

This item is intended as a discussion item for the Audit Committee. Members are encouraged to provide input regarding how the work plan can be improved in the future and better used to guide the work of the committee and advance the Strategic Plan of the State Bar.

Attached is the Audit Committee Work Plan for 2019–2020. Many of the items recur annually and are ongoing. There was significant effort on many work plan items, including:

- Review of Board and Management Travel Expenses
- Review of Annual Financial Statements and Report from Independent Auditors
- Continued Implementation of Past Audit Recommendations

FISCAL/PERSONNEL IMPACT

None

AMENDMENTS TO RULES OF THE STATE BAR

None

AMENDMENTS TO BOARD OF TRUSTEES POLICY MANUAL

None

STRATEGIC PLAN GOALS & OBJECTIVES

Goal: None - core business operations

RECOMMENDATIONS

Should the Audit Committee concur in the proposed action, passage of the following resolution is recommended:

RESOLVED, that the Audit Committee accepts the Update to the Audit Committee 2019–2020 Work Plan, included with this item as Attachment A, and provides it for review by the Board Executive Committee.

ATTACHMENT(S) LIST

- A.** Audit Committee 2019–2020 Work Plan Update

AUDIT COMMITTEE 2020 WORK PLAN

ATTACHMENT A

Item Description	To Committee? / By When?	To Board? / By When?	Link to Strategic Plan	Status
<ul style="list-style-type: none"> Review quarterly Travel Expense Reports 	Quarterly	As Needed	Core Business Operations	Completed Each Qtr.
<ul style="list-style-type: none"> MAAD Compliance Review & Activities: <ul style="list-style-type: none"> Identify and implement a tool to facilitate institutionalization of practices Investigate priority areas, including fingerprinting requirements and other DOJ related items Recommend and implement corrective actions Development of manual to memorialize practices 	Mid 2020	Mid 2020	Compliance	Ongoing
<ul style="list-style-type: none"> State Auditor's Audit (Every 2 years): <ul style="list-style-type: none"> Monitor progress Evaluate findings and recommendations Monitor implementation of corrective actions 	Late 2020 April/May 2020	May 2021	Compliance	Anticipated
<ul style="list-style-type: none"> Annual Financial Statement Audit (Every Year): <ul style="list-style-type: none"> Approve scope, meet with auditor, assess independence Monitor progress Review audited financial statements Evaluate findings and recommendations Monitor implementation of corrective actions 	January Ongoing April Ongoing Ongoing	NA As Needed May As Needed As Needed	Compliance	Anticipated
<ul style="list-style-type: none"> Business Continuity Plan Review: <ul style="list-style-type: none"> Understanding Risk & Provide Feedback Monitor implementation 	Fall		Core Business Operations	Anticipated
<ul style="list-style-type: none"> IT Systems Assessment (Every 2 years): <ul style="list-style-type: none"> Approve scope and fees Monitor progress Evaluate findings and recommendations Monitor implementation of corrective actions Review status of Prior Year Findings with staff 	Summer 2020 April/May 2020	Winter 2020	Goal 3.i.	Not Started