

SUMMARY OF PROCEEDINGS

KERN COUNTY AUDIT ADVISORY COMMITTEE

County Administrative Center
1115 Truxtun Avenue
5th Floor – County Administrative Office
Bakersfield, California 93301

General Meeting
Wednesday, December 10, 2025

2:00 P.M.

COMMITTEE ACTION DISPLAYED IN CAPS

The vote is displayed in bold below each item.

CONSENT AGENDA LISTED WITH “CA” WERE CONSIDERED TO ROUTINE AND NON-CONTROVERSIAL. NO ADDITIONAL COMMENTS AND APPROVED BY ONE MOTION.

1) Call to order –

MEETING CALLED TO ORDER BY SUPERVISOR FLORES AT 2:10 P.M.

Roll call –

COMMITTEE MEMBERS PRESENT: JEFF FLORES (VOTING MEMBER), GEOFFREY KING (VOTING MEMBER), NANCY ANDERSON (NON-VOTING MEMBER), AND CHASE NUNNELEY (FOR JORDAN KAUFMAN, NON-VOTING MEMBER)

COMMITTEE STAFF PRESENT: AIMEE ESPINOZA (AUDITOR-CONTROLLER-COUNTY CLERK), KENDRA GRAHAM (COUNTY COUNSEL)

Others In Attendance: Auditor-Controller (Janelle Austin, Casper Rosales), County Administrative Office (Elsa Martinez, Alex Alva, Eric Nisbett, Antoinette Woods, Saba Hailemichael), Information Technology Services (Mark Buonauro, Aaron Nance)

CA-2) Minutes from September 23, 2024 Kern County Audit Advisory Committee meeting –
APPROVED

2 AYES (FLORES, KING)

- CA-3) County Administrative Office's December 31, 2024 and June 30, 2025, Compliance and Accountability Report –
RECEIVED AND FILED
2 AYES (FLORES, KING)
- CA-4) Auditor-Controller-County Clerk's Fraud and Ethics Activity Report for the periods ending June 30, 2024 and December 30, 2024 –
RECEIVED AND FILED
2 AYES (FLORES, KING)
- CA-5) Report of Audit Communication with Those Charged with Governance from CliftonLarsonAllen LLP for County of Kern Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2024 –
RECEIVED AND FILED
2 AYES (FLORES, KING)
- CA-6) Proposed change to Government Accountability ordinance to replace Chief Financial Officer or designee with Budget and Finance Director or designee due to reorganizations within the County Administrative Office –
ASSISTANT COUNTY ADMINISTRATIVE OFFICER, ELSA MARTINEZ EXPLAINED THE REASON FOR THE PROPOSED CHANGE. THE DUTIES REMAINED THE SAME, BUT THE TITLE HAS CHANGED DUE TO THE NEW COUNTY ADMINISTRATIVE OFFICER'S DECISION TO TITLE THE POSITION AS IT WAS NAMED IN PREVIOUS YEARS AND OTHER COUNTIES.
REVIEW; MAKE RECOMMENDATION TO BOARD OF SUPERVISORS TO ADOPT REVISIONS
2 AYES (FLORES, KING)
- 7) Auditor-Controller-County Clerk's presentation of countywide risk assessment and annual audit plan for fiscal year 2025-26 –
AUDITOR-CONTROLLER-COUNTY CLERK, AIMEE ESPINOZA INTRODUCED THE NEWLY HIRED DIVISION CHIEF OVER AUDIT AND REPORTING DIVISION, CASPER ROSALES, WHO WAS IN ATTENDANCE. MS. ESPINOZA EXPLAINED THE PROCESS IN DEVELOPING THE AUDIT PLAN WHICH INVOLVES COUNTYWIDE EVALUATION AND AVAILABLE INTERNAL AUDIT RESOURCES. MS. ESPINOZA CONTINUED HER PRESENTATION BY DIRECTING ATTENTION TO PAGE 5 OF THE RISK ASSESSMENT AND AUDIT PLAN DOCUMENTS WHICH LISTS THE PROPOSED PLANS. SHE EXPLAINED THAT THE LIST CONTAINS FOUR NEW COUNTYWIDE AUDITS; TWO LIMITED SCOPE AUDITS THAT WERE IN PRIOR YEAR PLAN AND LOOK AT SPECIAL REVENUE FUNDS OF THE DEPARTMENTS, AND FOUR CASH COUNTS AT THE TREASURER'S OFFICE.

SHE ALSO DIRECTED ATTENTION TO PAGE 6 OF THE DOCUMENTS THAT LIST ADDITIONAL DUTIES OF THE INTERNAL AUDIT STAFF.

MS. ESPINOZA CONCLUDED HER PRESENTATION BY POINTING OUT THAT IN FISCAL YEAR 2024-25, HER STAFF'S TIME HAD TO BE SPLIT BETWEEN REGULAR DUTIES AND ASSISTING WITH THE IMPLEMENTATION OF THE NEW FINANCIAL SYSTEM AND THAT HAD BEEN THE REASON MORE AUDITS WERE NOT COMPLETED. MS. ESPINOZA STATED THAT THE PLAN FOR THIS YEAR IS MORE REALISTIC AND WILL ALLOW TO AUDIT MULTIPLE DEPARTMENTS IN DIFFERENT AREAS.

MR. KING ACKNOWLEDGED THE IMPORTANCE OF THE RISK ASSESSMENT IN DETERMINING THE AUDIT PLAN BUT EXPRESSED CONCERNS REGARDING SOME COUNTY DEPARTMENTS WHICH ARE DECENTRALIZED AND POSE INTERNAL CONTROL RISK. MR. KING STATED HE WANTS TO MAKE SURE SUFFICIENT COVERAGE ON HIGH-RISK AREAS BY ALLOCATING RESOURCES, WHETHER INTERNAL OR EXTERNAL (CURRENT OR OTHER OUTSIDE AUDITORS) TO AUDIT REGULARLY. MR. KING ALSO ASKED MS. ESPINOZA REGARDING HER OFFICE'S OVERSIGHT OF THE INTERNAL TECHNOLOGY SERVICES (I.T.S.) DEPARTMENT IN TERMS OF THE ADEQUACY OF THE I.T. INTERNAL CONTROLS AND STOP GAPS TO SAFEGUARD THE COUNTY FROM CYBER ATTACKS. MR. KING STATED THAT MS. EXPINOZA CAN COME BACK TO RESPOND IF THE AREAS AT ISSUE ARE COVERED SUFFICIENTLY. MS. ESPINOZA ACKNOWLEDGED THAT THE SUBJECT OF HIRING EXTERNAL AUDITORS FOR SOME OF THE AUDITS WAS BROUGHT UP IN THE PAST MEETINGS AND SHE IS IN AGREEMENT WITH THE IDEA AND LOOKING INTO IT. SUPERVISOR FLORES INDICATED HIS WILLINGNESS TO FUND THE COST OF HIRING OUTSIDE AUDITORS. MS. ESPINOZA RESPONDED IN TERMS OF THE OVERSIGHT OF THE I.T. SECURITY CONTROLS, STATING THAT HER OFFICE DOES NOT HAVE DIRECT OVERSIGHT. HOWEVER, AARON NANCE, DEPUTY CHIEF INFORMATION OFFICER EXPLAINED THAT HE DOES AUDITS OF DEPARTMENTS' I.T. CONTROLS. MR BUONAURO, CHIEF INFORMATION TECHNOLOGY OFFICER, ADDED THAT AUDITS BY OUTSIDE AGENCY IS PERFORMED EVERY OTHER YEAR TO VALIDATE THE I.T. CONTROLS IN PLACE. MR KING ASKED WHAT KIND OF REPORTING REGARDING IT IS SUBMITTED TO THE BOARD. NANCY ANDERSON, COUNTY ADMINISTRATIVE OFFICER, SUGGESTED THAT THE REPORTS BE PRESENTED IN FUTURE MEETINGS. MR. KING ALSO COMMENTED THAT CONTINUITY IS IMPORTANT AND ASKED MS. ESPINOZA IF THERE IS TURNOVER IN AUDITOR'S OFFICE. MS. ESPINOZA RESPONDED AFFIRMATIVELY AND STATED THAT TWO DIVISION CHIEFS LEFT THE OFFICE IN FY 2024-25. MR KING SUGGESTED THAT AIMEE ESPINOZA TRY TO DETERMINE THE CAUSE FOR TURNOVER.

SUPERVISOR FLORES THANKED MR. KING FOR HIS INSIGHT.

APPROVED; MADE RECOMMENDATION TO BOARD OF SUPERVISORS TO ADOPT

2 AYES (FLORES, KING)

- 8) Committee member announcements or reports –

THE MEETING DATE WAS NOT SCHEDULED.

STAFF WILL SCHEDULE NEXT MEETING FOR 2026.

- 9) Public comment –

None

- 10) Adjourn –

ADJOURN AT 2:30 P.M.
2 AYES (FLORES, KING)