

2010-2011 Planning Document
Board of Governors of the State Bar of California
Audit Committee

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1. **Purpose of the Committee:** The State Bar Audit Committee is charged with the following responsibilities:
 - a. Selecting the independent auditor for the State Bar’s annual financial statement audit;
 - b. Monitoring the progress of the financial statement audit;
 - c. Evaluating the results of the financial statement audit;
 - d. Ensuring that control weaknesses and legal compliance violations identified in the course of the financial statement audit are promptly and effectively remedied;
 - e. Serving as a direct communications link between the Board of Governors and the independent auditor;
 - f. Monitoring the adequacy of the State Bar’s internal control structure on an ongoing basis, through either performance audits conducted by the Bar’s contracted internal auditing firm or finance staff internal analyses.

2. **Accomplishments during the 2009-2010 Board Year:** In 2010, the Bar’s internal auditing firm, Sjoberg Evashenk Consulting, audited the Procurement/Accounts Payable, Budgeting, and Payroll business processes. All recommendations from these reports have been

implemented. The Audit Committee Chair coordinated the 2009 financial statement audit with Macias Gini and O'Connell and the Committee met with the auditors to receive the results of the audit.

3. **Goals for the Committee for the 2010-2011 Board Year:** The Audit committee will:
 - a. Oversee the 2010 independent financial statement audit. This process will include a pre-audit conference with the auditors, a meeting to discuss preliminary audit results, and a third meeting to review the final audited statements and any findings identified by the auditors.
 - b. Review the Bar's progress in implementing the recommendations contained in the 2009 audit from the Bureau of State Audits.
 - c. Review the recommendations from the Bureau of State Audits at the conclusion of their biennial performance audit to be performed in early 2011.
 - d. Working with management, the Planning, Program Development and Budget Committee, and the full Board of Governors, identify potential programs within the organization for either performance audits or Finance staff analysis with the goal of evaluating the cost effectiveness of the programs and establishing proof of efficacy in achieving the program's stated objectives. Areas to consider may include one or more of the following:
 - The Lawyers Assistance Program
 - Member Services Center
 - Affinity Programs
 - Access to Justice Services and Program Development Services funded through the General Fund

4. **Tasks contemplated to be completed:**
 - a. Monitor staff's progress in implementing the recommendations contained in the audit reports performed in 2009 and 2010.
 - b. Determine the scope and number of performance audits/Finance staff analyses to be completed during the Board year.
 - c. Meet with Macias Gini and O'Connell to discuss the scope of the 2010 financial statement audit and to review the results of the audit once it is completed.
 - d. Receive the report from the Bureau of State Audits of its biennial performance audit of the Bar.