

Bowling Green Audit Committee
Special Meeting
July 9, 2013

The Bowling Green Audit Committee convened in a special meeting at 3:30 p.m. on July 9, 2013 in the City Hall Commission Chamber. The meeting was called to order by Chairman David McKillip. Members of the Committee present were: Audit Professionals David McKillip and Cristi Pruitt, General Business members Scott Gary and Tony Witty and Ex-Officio member City Manager Kevin DeFebbo. Absent: Commissioner Joe Denning. Also present were Internal Auditor Deborah Jenkins and Assistant City Clerk Ashley Jackson. There was a quorum of the board present.

Chairman McKillip confirmed that the first item of business was to take a photo, however since the Audit Committee had a sufficient photo on the City's website, the item was dismissed from the agenda.

Approval of Minutes.

Chairman McKillip announced that the first item of business was to approve the minutes of the April 8, 2013 regular meeting, which were mailed with the agenda to the members for their review prior to the meeting. Motion was made by Mr. Witty and seconded by Mr. Gary to accept the minutes as written. The minutes were approved as written by unanimous vote.

FY2014 Chair and Vice-Chair nominations.

Ms. Jenkins stated that a member may not serve as an officer for more than two consecutive years, and Mr. McKillip would not be eligible to serve another term as Chair. However, she confirmed that he served one term for Vice-Chair and would be eligible for that position. Motion was made by Mr. Witty and seconded by Mr. McKillip to nominate Ms. Pruitt to serve as Chair for Fiscal Year 2014. All ayes, motion carried. Motion was made by Mr. Witty and seconded by Mr. Gary to nominate Mr. McKillip to serve as Vice-Chair for Fiscal Year 2014. All ayes, motion carried.

Ms. Pruitt presided over the meeting as the newly appointed Chair.

Presentation of FY2013/2014 Risk Assessment and resulting Audit Plan.

Ms. Jenkins reported on the FY2013/2014 Risk Assessment and Annual Audit Plan. She explained that one change to the Audit Plan was that she would no longer be participating in the drug burns with the Police Department, but she was comfortable with the department taking over the responsibility. After some discussion, the Committee members agreed that an audit of the drug burn should be something to consider in the future. The Audit Plan for Fiscal Year 2013/2014 included Parks Maintenance Operations and License Division audits, and Fleet Division follow-up. Furthermore, the City has implemented the employee Fraud and Abuse Hotline system, and there has been no activity to-date per Ms. Jenkins. Ms. Jenkins reported that she had posters made for each City building, and magnets with information for the employees to carry or take home. Ms. Pruitt suggested personally presenting this hotline to the employees, and Ms. Jenkins confirmed that she was looking into working in conjunction with the Human Resources Benefits Manager to discuss the hotline during the quarterly benefits meetings. In addition, she also confirmed that she was in the process of working on the initial stages of the Parks Maintenance audit, and confident that the Fleet Division follow-up will show great improvements. The Fleet Division has a new Fleet Manager and if the follow-up confirms the Fleet Division is fully implemented, that would be the first audit that has become fully implemented. Moreover, Ms. Jenkins mentioned that this was the last year for the external audit contract with Mountjoy Chilton Medley and that the committee would need to review a drafted

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Request for Proposal in the fall, and she would be scheduling a special meeting sometime during the beginning of the year (2014) for review and approval. Also, she briefly reviewed attachments #1 and #2 for the Annual Audit Plan. Attachment #1 included the Fiscal Year 2014 Risk Assessment Worksheet indicating the departments and weighted scores. She reviewed the areas that were identified as high risk areas which included the following: Finance Department - Treasury and License Divisions, Information Technology Department, Public Works Department - Fleet Management and Parks and Recreation Department – Maintenance, Aquatics, Athletics, Recreation/Fitness, Golf Courses and Cemetery. Attachment #2 was the description of the available audit hours for Fiscal Year 2013/2014. Ms. Jenkins asked for the approval of the FY2013/2014 Annual Audit Plan. Motion was made by Mr. McKillip and seconded by Mr. Witty to approve the FY2013/2014 Annual Audit Plan as written. All ayes, motion carried.

The next quarterly meeting is scheduled at 3:30 p.m. on October 14, 2013.

Ms. Jenkins announced the next quarterly meeting date.

Adjournment.

There being no other business to be conducted, at 4:20 p.m. Chair Pruitt declared the meeting adjourned.

Date Approved

Cristi Pruitt, Chair

Ashley Jackson, Assistant City Clerk