

Bowling Green Audit Committee
Regular Meeting
October 11, 2010

The Bowling Green Audit Committee convened in a regular meeting at 3:30 p.m. on October 11, 2010, in the City Hall Commission Chamber. The meeting was called to order by Vice Chair David McKillip. Members of the Committee present were: Audit Professionals Charles Hays and David McKillip, General Business member James Martens, Commissioner Bruce Wilkerson. Absent: General Business Member Jean Cherry and Ex-Officio member City Manager Kevin DeFebbo. Also present were Internal Auditor Deborah Jenkins and Assistant City Clerk Ashley Jackson. There was a quorum of the board present.

Approval of Minutes.

Vice Chair Mr. McKillip announced that the first item of business was to approve the minutes of the July 12, 2010 regular meeting, which were mailed with the agenda to the members for their review prior to the meeting. Motion was made by Mr. Wilkerson and seconded by Mr. Hays to accept the minutes as written. The minutes were approved as written by unanimous vote.

Demonstration of new IDEA Analytical software.

Ms. Jenkins reported that the City had purchased analytical software which would assist her with the preparation of audits. She provided a brief introduction to the software by performing a presentation of the software to the Committee members. The IDEA Analytical software was introduced to Ms. Jenkins a year ago at a Fraud Conference she had attended and it determined to have the capabilities of importing current records into the software and utilizing it to retrieve statistical and sampling data. She further explained that based on her experience thus far, it was very beneficial software and she had the opportunity to attend the IDEA User Conference on October 4 - 7, 2010 to become more familiar with the software. Mr. Wilkerson asked if the financial data the City had could be converted or input into the software and Ms. Jenkins confirmed that it could easily be converted and if she ever ran into a situation where something could not be easily converted, she could request the assistance of the Information Technology Department. Mr. Hays emphasized that the software would allow Ms. Jenkins to be more efficient during the audits rather than having to re-enter information that already existed or creating new documentation that would take longer to complete. The Committee members all agreed that the software presentation was informative and would be helpful to the Internal Auditor.

Discuss cell phone taxable benefit review and pending changes from new legislation. Ms. Jenkins also discussed that the City had prepared the annual cell phone taxable benefit review. However, she just received information that an act was passed called "Small Business Jobs Act," which removed the cell phones or similar equipment from the listed property effective January 1, 2010, therefore, the City plans to hold the release of the taxable benefit report until the Internal Auditor hears more information from the state or guidance from the Internal Revenue Service (IRS).

Discuss progress on BGF D Payroll Audit. The next item of business was to provide a report on the progress of the BGF D Payroll Audit. Ms. Jenkins briefly reported that she had observed the various shift transitions at the Fire Department and she was scheduled to meet with the payroll clerks at Fire, the Payroll Division, Information Technology Department and the Fire Chief to discuss payroll related information. In addition, Ms. Jenkins concluded that she planned to present the final report at the January regularly scheduled Audit Committee meeting.

(Minutes-Bowling Green Audit Committee – October 11, 2010)

Update on External CAFR Audit. Ms. Jenkins indicated that a special call meeting of the Audit Committee would need to be scheduled in December in order to review and approve the Comprehensive Annual Financial Report (CAFR) as presented by Mountjoy Chilton Medley LLP. A tentative date for the special call was scheduled for December 6, 2010 at 3:30 p.m. The Board agreed that the date and time was acceptable.

The next quarterly meeting is scheduled at 3:30 p.m. on January 10, 2011.

Ms. Jackson announced the next quarterly meeting date.

Adjournment.

There being no other business to be conducted, at 4:15 p.m. Vice Chair Mr. McKillip declared the meeting adjourned.

Date Approved

Jean Cherry, Chair

Ashley Jackson, Assistant City Clerk