

**INTERAGENCY INTERNAL AUDIT AUTHORITY
OPEN SESSION MINUTES
FEBRUARY 17, 2021**

The Interagency Internal Audit Authority (IIAA) met virtually at 8:00 a.m. Those present were:

IIAA Members: Chair Steve Darr, Nicole Prorock, Jon Alexander, Steve McKay, Tom Lynch, and Sue Johnson

IA Staff: Tricia Reaver, Dawn Reed

FCC Staff: Cathy Perry-Jones, Amy Stake

FCPS Staff: Melissa Rollison

FCG Staff: Lori Depies, Erin White, Rick Little, and Nick Hetrick

Contractors:

SC&H: Matt Simons, Ed Mikhail, Sam Fitzgerald, Anthony DiGiulian, and Brian Glazewski

CLA: Sean Walker

Mr. Steve Darr, Chair, called the virtual IIAA open meeting of February 17, 2021, to order at 8:00 a.m.

Approval of Agenda – February 17, 2021

Mr. Tom Lynch made a motion to accept and approve the agenda for the February, 2021 meeting as presented, seconded by Mr. Jon Alexander. All present voted in favor (Sue Johnson absent). The motion passes.

Approval of Open Meeting Minutes – January 20, 2021

Mr. Tom Lynch made a motion to approve the open meeting minutes of January 20, 2021, seconded by Mr. Jon Alexander. All present voted in favor with Nicole Prorock abstaining (Sue Johnson absent). The motion passes.

Mr. Tom Lynch made a motion to approve the closed meeting minutes of January 20, 2021, seconded by Mr. Jon Alexander. All present voted in favor with Nicole Prorock abstaining (Sue Johnson absent). The motion passes.

Status of Assignments

CLA:

FCG Receipts Transactions – Mrs. Reaver said this audit was put on pause but has restarted and the planning phase of this audit is complete and they are now in the fieldwork process. She said the access has been granted to CLA and they are pulling sample populations through various reports and systems. Mrs. Reaver said the audit is continuing to move forward.

FCG Sub Recipient Monitoring Grants – Mrs. Reaver said this is still going on, however, the first round is just about complete. Mr. Sean Walker, CLA, also mentioned they are just about ready to wrap up unless the Finance Division sees a need to continue. Mrs. Erin White, FCG Finance, said a meeting with Cheri King, CLA, occurred and plans to get the review by March 5th. Mr. Steve Darr requested CLA provide a short written summary of the work that was performed for the County Finance Division with the COVID-19 Grants. Mrs. Erin White mentioned that all of the County's COVID-19 relief funding information is provided on the County's website as well and is updated weekly.

FCG/FCC/FCPS Financial Transactions – Mrs. Reaver said these audits have been kicked off with FCPS and FCC but not the County. She said the County is still on hold due to the grants work ongoing. We started with FCPS who is gathering reports for the audit. Also FCC is starting to gather reports as well. CLA will begin analyzing the reports and has provided access to their portal to all three entities.

SC&H:

FCPS Timesheet Controls – Mrs. Reaver said the report has been drafted and is with FCPS for management comments. She said we did update the timeline, hoping to have a final draft in the March packet for approval. A lot of departments are involved in the response process with management comments.

FCG DFRS Matrix Funding – Mrs. Reaver said this report is complete and in the packet for a vote.

Mr. Jon Alexander made a motion to accept, approve, and issue as a public document, Report #21-01, Frederick County Government DFRS Volunteer Budget Matrix Funding Performance Audit, seconded by Ms. Nicole Prorock. Those present voted in favor. The motion passes.

FCG/FCC/FCPS Network Security – Mrs. Reaver said these audits have begun and we started with the County, which is the furthest ahead. She said they will be looking over the planning documentation later this week. Mrs. Reaver said FCPS will be kicked off later today as a meeting is scheduled with them and FCC started in early February and that work has begun with planning phase meetings. She said all work for all three entities is in process. Mr. Anthony DiGiulian, SC&H, mentioned they are on track with all timelines.

Mrs. Reaver said there is a new task order in the packet, ready for a vote of issuance. She said this would be over the County's Fixed Assets, Surplus and Accountability.

Mr. Tom Lynch made a motion to approve with a minor typographical error, Task Order #21-08, Frederick County Government Fixed Asset Inventories, Accountability & Surplus and to issue to SC&H, seconded by Ms. Sue Johnson. All those present voted in favor. The motion passes.

Mrs. Reaver said that the County's IIT Division has reached out and would like to have a tabletop/roundtable facilitation for their disaster recovery plan and asked if SC&H could assist them with this. She said SC&H would be independent and the funds would come out of the IIT budget, similar to what Finance is doing with CLA. Mrs. Reaver said that Anthony DiGiulian, SC&H, and Rick Little, FCG IIT, will be putting a plan together and she is fine with SC&H being utilized in this capacity. Mr. Anthony DiGiulian explained what this tabletop discussion would look like. The IIAA agreed it was fine to proceed with this facilitation.

Special Projects and Other Work:

DFRS Cost Analysis/Staffing Mix – Mrs. Reaver said she is still waiting on the report from the 3rd party vendor, who is working on that final report for the Budget Office and is expecting that by end of February or beginning of March.

Admin. Leave Memo – Mrs. Reaver said that the memorandum that was approved by the IIAA last month did go and out and she has not received any feedback or questions on that.

Follow Ups:

- FCG CIP – Mrs. Reaver said the Procurement and Contracting Dept. has had an update on their policies and procedures and will provide those to her as they are finalized.
- FCPS PII – Mrs. Reaver said FCPS continues to work on the last couple open items.
- FCG PII – Mrs. Reaver said the County is still working on updating the policies and procedures and expects to have that draft spring of 2021.
- Fleet Services - Mrs. Reaver said she has a meeting with the new director this Friday to go over the status of those recommendations.
- Ambulance Billing – Mrs. Reaver said this still has one small recommendation open.

Risk Assessments

FCG - Mrs. Reaver said the drafted risk assessments are ready for all three entities and is leaving it up to the IIAA as how to how they want to handle their review of these drafts. Mr. Steve Darr said that he would prefer to review two of the risk assessments at the March meeting and then the last risk assessment at the April meeting and then finalize at the May meeting. The IIAA agreed to this timeline plan of review. Mrs. Reaver requested that the IIAA member e-mail her with comments ahead of time to help move the review along.

Fraud Hotline

FCG – Mrs. Reaver said that one did come in at the last minute. She said the County has been hit a little bit with a State breach of information where County employees are receiving letters from the State Unemployment Office about claims. Mrs. Reaver said the County wanted to first take a look at it, along with the IIT Division and it appears to be a state-wide issue, where County and local government employees are receiving these letters. She said at his point, there is no County breach, she just wanted to inform the IIAA.

FCC – None to report.

FCPS – None to report.

Other Business

Annual Report – Mrs. Reaver said the annual report was posted to the website in January 2021.

Audit Manual – Mrs. Reaver said she has begun reviewing the audit manual.

Member Terms and Open Seat – Mrs. Dawn Reed said that we now have one open seat and that is for Mr. Shaun Jones, whose term expired June 30, 2020. She said that an ad has been placed in the Frederick News Post for this open seat and also mentioned that Mr. Jones has expressed his interest in serving another full term on the IIAA and she is waiting on his letter of interest to do so. Mrs. Reed also went over the current members’ terms and expiration dates and noted that the next open seat will be Mr. Steve Darr’s, which is set to expire June 30, 2021. Mrs. Reed also said she would request to be put on the Council’s agenda for the confirmation of these open seats.

At 9:17 a.m., Mr. Tom Lynch made a motion to adjourn the 2/17/21 meeting, seconded by Mr. Steve Darr. All present voted in favor. The motion passes.

Respectfully Submitted,



Dawn Reed
Coordinator, Internal Audit