

**INTERAGENCY INTERNAL AUDIT AUTHORITY
OPEN SESSION MINUTES
MAY 18, 2022**

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

IAA Members: Chair Jon Alexander, Vice Chair Nicole Prorock, Shaun Jones, Council Member Steve McKay, and Sue Johnson

IA Staff: Tricia Reaver and Dawn Reed

FCC Staff: Amy Stakes

FCPS Staff: Amanda Baugher and Melissa Rollison

FCG Staff: Dan Lewis and Melanie Thom

Contractors:

SC&H: Matt Simons and Sam Fitzgerald

CLA: Sean Walker, Cheri Amoss, and Zachary Vincent

SB & Company: William Seymour

Approval of Agenda – May 18, 2022

Mrs. Nicole Prorock made a motion to accept and approve the agenda for May 18, 2022, seconded by Mrs. Sue Johnson. All those present voted in favor (Dr. April Miller absent). The motion passes.

Approval of Open Meeting Minutes – April 20, 2022

Mrs. Sue Johnson made a motion to accept and approve the IAA open meeting minutes of April 20, 2022, as submitted, seconded by Mrs. Nicole Prorock. All those present voted in favor with Mr. Jon Alexander abstaining (Dr. April Miller absent). The motion passes.

Status of Assignments

CLA:

FCG Hotel Rental Tax – Mrs. Reaver said field work testing is complete. She noted that the remaining open items are from a hotel that has stopped responded, she has requested CLA document that and put in the report they are non-responsive, along with another hotel noted as non-responsive during the full audit process. Mrs. Reaver said CLA will be moving forward with drafting the report.

FCPS Classical Charter Schools (FCCS) – Mrs. Reaver said the draft report is in the packet and ready for discussion, review, and vote. She said she has vetted through this report as did both Frederick County Public Schools (FCPS) and the FCCS.

Mrs. Nicole Prorock made a motion to accept, approve, and distribute as a public document, Audit Report #22-01, Frederick County Public Schools Classical Charter School, seconded by Mrs. Sue Johnson. All those present voted in favor. The motion passes.

FCG Pension Plan – Mrs. Reaver said the draft task order is included in the packet and ready for any discussion and a vote to issue. She said she has already vetted through the budget with CLA. Mrs. Reaver said there were concerns regarding pension calculations after a third party was hired by the County to take over within the past few weeks after the release of the annual pension statements.

Mr. Shaun Jones made a motion to accept, approve, and issue to CLA, Task Order #22-05, Frederick County Government Pension and Retirement Calculations, seconded by Mr. Steve McKay. All those present voted in favor. The motion passes.

SC&H:

FCC Fixed Assets and Inventories, Accountability and Surplus - Mrs. Reaver said this is moving along well and into the testing phase which she has received the test plan from SC&H as well as their cost estimate for that. Meetings began this week for the testing phase.

FCG Fuel Contractor – Mrs. Reaver said this has been kicked off and a meeting was held on Monday. She said we are gathering the information from the Fleet services group.

FCPS School Construction (new task order) – Mrs. Reaver said she has drafted this task order and just emailed it to the IAA members for their review and comments. She said this will be updated as she continues to receive everyone’s responses and comments. The plan will be to either have an e-mail vote on this task order or vote in next month’s meeting.

Special Projects and Other Work:

FCPS School Activity Funds – Mrs. Reaver said we have completed two middle schools but may be holding out to do the remaining once they are finished with their yearend. She said we may go ahead and test for the full year at that time as well. Mrs. Reaver said schools are ending and the front office and administration are extremely busy right now.

FCG Non-County Agency Review – Mrs. Reaver said she followed up with the City four weeks ago and again today. She said if she does not hear anything she will keep the CAO's office informed of their nonresponse, which was an initial one of the concerns. Mrs. Reaver said the County funds some of the programs for the City to run for the County, so we have requested and are waiting on some of that data.

Follow Ups:

Mrs. Reaver pointed the IIAA to the follow up items noted in the packet. She said some of the follow ups have just one open item. She said the list had some follow up items added recently as we are moving ahead with testing follow up for more recent audits. Mrs. Reaver said she continues to follow up monthly with each one of them.

Fraud Hotline

FCPS – Mrs. Reaver said they had none.

FCC – Mrs. Reaver said they had one issue come through as a follow up concern to an incident that occurred in 2014.

FCG – Mrs. Reaver said one came in regarding the County pension calculations which was discussed during the pension calculation audit task order discussion.

Other Business

IIAA Membership - Mrs. Reaver said we still have our open seat, and she has reached out to the MACPA to see if they would advertise. She said she will be attending a few more networking events and asked that the IIAA members continue to look as well.

IIAA Meetings - Mrs. Reaver said we will be continuing our meetings with this same set up, which will be through Teams. She said we will continue to have it open for any IIAA members to attend in person if they want to come in and join us. Mrs. Reaver said the next meeting is scheduled for June 15, 2022, so please check your calendars and we will follow up if that date is good with all members.

Annual Financial Reviews - Mrs. Reaver wanted to mention that she will be working on the annual financial reviews for all entities (FCG, FCC, and FCPS) and will be writing her summary report for each.

At 8:59 a.m., Mr. Jon Alexander ended and adjourned the May 18, 2022, IIAA meeting.

Respectfully Submitted,



Dawn Reed
Coordinator, Internal Audit