

**INTERAGENCY INTERNAL AUDIT AUTHORITY
OPEN SESSION MINUTES
DECEMBER 16, 2015**

The Interagency Internal Audit Authority (IIAA) met at 8:00 a.m., December 16, 2015, in the 2nd Floor Winchester Conference Room of Winchester Hall, 12 E. Church Street, Frederick, Maryland. Those present were:

IIAA Members: Steve Darr (Chair), Shaun Jones (Vice Chair) by teleconference, Bob Kimble, Council President Bud Otis, Timothy Wesolek, and Colleen Cusimano

IA Staff: Tricia Griffis and Dawn Reed

FCC Staff: William Grutzkuhn

FCPS Staff: Amanda Baugher

FCG Staff: Michael Chomel (County Attorney's Office) and Janice Spiegel (County Executive's Office)

Contractors: None

External Auditors/Guests: None

Mr. Steve Darr called the IIAA open meeting of December 16, 2015 to order at 8:15am.

Approval of Open Minutes

Mr. Timothy Wesolek made a motion to approve the open meeting minutes of November 18, 2015, as written and submitted, seconded by Ms. Colleen Cusimano. All those present were in favor. The motion passed unanimously.

Status of Assignments

LOSAP: Ms. Griffis said LOSAP testing is now complete and CLA is drafting the report and resolving a few open questions. She said she expects to have that draft report soon after the holidays and will ask for a vote at the January 2016 meeting

FCC Receivables: Ms. Griffis said a draft task order for this is included in the packet. She said a vote by email will be needed in the coming weeks to issue this task order to CLA and receive their cost estimate. Ms. Griffis said this will be an audit with a planning and testing phase. She wanted to point out that the work may not begin on this until around February 2016 due to FCC's Student Finance Office dealing with tax forms at the beginning of the year.

FCG P-Card: Ms. Griffis said SC&H's draft of the P-Card Report is included in the packet. She said we are waiting on management's review and response before a final vote can be issued but has provided the report for the IIAA's review at this time. Further discussion of the observations will take place in the closed session of this meeting due to the report not being available to the public yet.

FCG and FCPS Payroll and Timesheet Controls: Ms. Griffis said the FCG Payroll and Timesheet Controls AUP is in process and a report is being drafted at this time. She said she expects to have that draft report sometime in mid January. Ms. Griffis said the FCPS Payroll and Timesheet Controls AUP has been drafted and is included in the packet for review. Further detailed discussion of the observations can take place in the closed session of this meeting if necessary. Ms. Baugher, FCPS, said she appreciates SC&H's timeliness of this report and also said they were very respectful of the time constraints of the FCPS small payroll staff.

Ms. Griffis said a draft task order was issued to SC&H on the Emergency Communication Center Management Staffing and Overtime Analysis. She said they are working on a response as the IIAA reviews the task order. Ms. Griffis said this will be an audit with a planning and testing phase. She expects an email vote on this task order in the next couple of weeks.

Follow-Ups: Ms. Griffis said follow ups that on the radar are coming up. She said DFRS has three follow ups coming due. Ms. Griffis said there are still many items on hold and are open but have been scheduled to be complete around the March 2016 timeframe.

Ms. Griffis said the FCG IIT Security Network 2nd follow up will be issued in early February 2016 requesting their response by mid February.

Ms. Griffis said the FCPS Purchasing Audit follow up has one recommendation open and that is expected to be implemented by June 2016 due to an upgrade with their PeopleSoft System. She said she will follow up at that time.

Ms. Griffis said a follow up on the FCC Payroll and Timesheet Audit completed in early 2015 will be also be issued within the next month or two.

Budget

Ms. Griffis said the Internal Audit Program Budget needs IIAA approval as it is due to the County's Budget Office by this Friday. She said she didn't receive any questions or comments via email from the IIAA so she is asking for a vote of approval.

Mr. Timothy Wesolek made a motion to approve the Internal Audit Division's FY 2017 Program budget and submit the package to the County Executive's Office for acceptance into the FY 2017 Budget Proposal to the County Council, seconded by Ms. Colleen Cusimano. All those present were in favor. The motion passed unanimously.

Fraud Hotline

FCG: None

FCPS: None

FCC: None; Ms. Griffis said she will follow up before the January meeting as to the direction they are headed with their fraud hotline.

Other Business

Ms. Griffis said the IIAA Resolution still requires approval for adoption into the County Code for Charter Government. She said a meeting with the County Executive is scheduled for January 21, 2016, to discuss those proposed changes along with the County Organizational Chart and where the Internal Audit falls on that chart. Ms. Griffis provided a copy of the "Yellow Book," GAGAS, regarding this issue.

Ms. Griffis said the Annual Risk Assessment will be sent out along with cover letters to each entity (FCG, FCC, and FCPS). She expects these to be issued in January 2016.

At 9:15am: Mr. Bob Kimble made a motion to go into a closed session, in accordance with Maryland Annotated Code General Provisions Article §3-305 (b) to discuss an Administrative Function. This motion was seconded by Ms. Colleen Cusimano. All those present were in favor, and the motion passed unanimously.

The open meeting ended at 9:15am (for closed session).

Respectfully Submitted,



Dawn Reed
Administrative Coordinator