

**INTERAGENCY INTERNAL AUDIT AUTHORITY
OPEN SESSION MINUTES
May 17, 2017**

The Interagency Internal Audit Authority (IIAA) met at 8:00 a.m., May 17, 2017, in the 3rd Floor Executive Conference Room of Winchester Hall, 12 E. Church Street, Frederick, Maryland. Those present were:

IIAA Members: Chair Steve Darr, Vice Chair Shaun Jones, Eric Wu, Bud Otis, and David Bufter

IA Staff: Tricia Griffis and Dawn Reed

FCC Staff: Bill Grutzkuhn

FCPS Staff: Melissa Rollins

FCG Staff: None

Contractors:

SC&H: Matt Simons, Ed Mikael, and Russell Ojers

CLA: Sean Walker

External Auditors/Guests: None

Mr. Steve Darr, Chair, called the IIAA open meeting of May 17, 2017, to order at 8:02am.

Approval of Open Meeting Minutes – April 19, 2017

Mr. David Bufter made a motion to approve the open meeting minutes of April 19, 2017, seconded by Mr. Shaun Jones. Those present voted in favor (Eric Wu and Colleen Cusimano absent for vote). The motion passes.

Status of Assignments

CLA:

Capital Improvements Projects – Ms. Griffis said Mr. Sean Walker is here to discuss any issues or questions you may have. She said we are scheduled to meet with Procurement & Contracting next week to go over testing within their department and then will link their department to the different projects. Mr. Walker said he has met with DPW and DUSWM to look at project files. He said they were well organized and in good shape. Mr. Walker said some tax exempt issues were noted and will be addressed further. Mr. Walker said he would try to have a draft report for the June meeting.

Hotel Rental Tax – Ms. Griffis said the audit has kicked off, selections were made, and we have reached out to all of the hotels so they are aware of the audit. Regarding the Hotel Rental Tax Audit mandate, Ms. Griffis said she is working on a draft memo that explains and details the hotel rental tax audit. It was agreed to wait until after this current audit is complete to discuss further and to determine how often to complete the audit.

SC&H:

FCG/FCC/FCPS PII – Ms. Griffis said the planning phase has been completed at all three entities and we are now in the testing phase at all three entities. She said they kicked off the testing phase completely at FCG, FCC kicked off yesterday and FCPS will kick off in June.

Water and Sewer Billings – Ms. Griffis said the draft report for the planning phase and risk assessment of this audit is complete and is included in the packet for your approval vote. She said she has also drafted the task order for the testing phase and will be included in the packet for an approval at next month's meeting.

Mr. Bud Otis made a motion to accept and approve the Frederick County Government Water and Sewer Billings Planning and Risk Assessment Survey, seconded by Mr. Shaun Jones. Those present voted in favor (Colleen Cusimano absent for vote). The motion passes.

Misc. Follow Ups:

Ms. Griffis said she is staying on top of the follow ups and there are not any major changes at this time. She said she expects a few follow ups to be closed out within the next couple of weeks.

FCG Risk Assessment:

The IIAA reviewed and discussed the Frederick County Government Risk Assessment. It was agreed to rearrange some of the audits and their level of risk within the County. Ms. Griffis said she would make the necessary changes and the FCG Risk Assessment will be finalized.

Fraud Hotline

FCG: Mr. Shaun Jones received an anonymous complaint regarding the tow companies and the agreed upon rates. Mr. Jones advised the person to address this issue with the Tow Advisory Committee. Ms. Griffis said she would look into this issue with the Tow Advisory Committee as well.

FCPS: None

FCC: None

Other Business

Ms. Griffis said Mr. Steve Darr was confirmed by the County Council on May 9, 2017, to serve on the IIAA for another full four-year term/

Ms. Griffis said the advertisement for the public open seat has been published, however, no responses have been received to date.

At 9:39am: Mr. Steve Darr made a motion to end and adjourn the May 17, 2017 IIAA Meeting.

Respectfully Submitted,



Dawn Reed
Administrative Coordinator