

**INTERAGENCY INTERNAL AUDIT AUTHORITY
OPEN SESSION MINUTES
SEPTEMBER 20, 2017**

The Interagency Internal Audit Authority (IAA) met at 8:00 a.m., September 20, 2017, in the 2nd Floor Winchester Conference Room of Winchester Hall, 12 E. Church Street, Frederick, Maryland. Those present were:

IAA Members: Chair Steve Darr, Vice Chair Shaun Jones, Nicole Prorock, Colleen Cusimano, and David Bufter

IA Staff: Tricia Griffis and Dawn Reed

FCC Staff: Michael Gastley

FCPS Staff: Melissa Rollins and Ronni Smith

FCG Staff: Erin White and Melanie Thom

Contractors:

SC&H: Matt Simon, Ryan Kohan and Ed Mikhail

CLA: Keith Novak

Mr. Steven Darr, Chair, called the IAA open meeting of September 20, 2017, to order at 8:09am.

Approval of Open Meeting Minutes – July 19, 2017

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

Approval of Closed Meeting Minutes – July 19, 2017

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

Status of Assignments

CLA:

Capital Improvements Projects – Ms. Griffis said the draft report is included in the packet and ready for IAA discussion and approval. She said the management responses are in place and the report is ready for a vote.

Mr. David Bufter made a motion to accept and approve Report #17-04, Frederick County Government Capital Improvements Projects, seconded by Mr. Shaun Jones. Those present were in favor (Eric Wu and Bud Otis absent for vote). The motion passes.

Hotel Rental Tax – Ms. Griffis said this report is a handout and has not gone to management for their responses yet. She said the report is confidential as it includes hotel names, however, when the final report is release the names will be redacted. Ms. Griffis said she expects to have management responses by the next meeting. Ms. Griffis said she will draft a memorandum requesting that the Hotel Rental Tax Audit be completed every three (3) to four (4) years instead of the current every two (2) years. She said she will have that memo next month for the IAA to approve.

SC&H:

FCG/FCC/FCPS PII – Ms. Griffis said the FCG and FCC PII reports being handed out do not include her comments, she just wanted the IAA to have for further review. She said she is waiting on some follow up information and IIT screening before issuing the draft report, which she hopes to have for the meeting next month. Ms. Griffis said the FCPS PII report is also in draft but without management responses and should also be ready for the meeting next month.

Water and Sewer Billings – Ms. Griffis said the water and sewer billing audit is still in the testwork and fieldwork process. Mr. Ryan Kohan said he expects to complete the work and have a draft for the next meeting.

Misc. Follow Ups:

Ms. Griffis said most of the follow ups are still on hold due to the Infor system. She said she is expecting to have most of these closed by spring 2018. However, Ms. Erin White said that date might be postponed again due to our Human Resources Division turnover. Ms. Griffis said the FCC Student and Corporate A/R follow up was closed out.

Task Order and Work Plans

Ms. Griffis said in the packet is a task order for the Department of Procurement and Contracting (P&C). She said this was not the next audit scheduled on the Audit Work Plan, however, concerns have been made over communication with divisional leaders and departmental managers on the understanding of the P&C operations and rules and regulations. Ms. Griffis said this will be a test sampling over all the departments and divisions throughout the County as well as the operations in the P&C department.

Mr. Shaun Jones made a motion to accept and approve Task Order 18-01, Frederick County Government Procurement and Contracting Operations and to issue to CLA, seconded by Ms. Colleen Cusimano. Those present were in favor (Eric Wu and Bud Otis absent for vote). The motion passes.

Ms. Griffis said she has completed .all of the County risk assessment meetings and through those meetings there was concern regarding the Public Information Act (PIA) and how the County is organizing and communicating how each department should be following the procedures or exactly what are the procedures. She said it has been requested that PIA be moved up on the audit work plan being that it is an election year and the PIA requests might increase. After IIAA discussion, it was agreed that the PIA audit would stay where it is on the audit work plan.

Ms. Griffis said she is drafting a task order for FCG Fleet Services and will be ready for next month's meeting.

Fraud Hotline

FCG: None

FCPS: None

FCC: None

Other Business

New Member: Ms. Griffis welcomed our newest public member, Ms. Nicole Prorock.

Risk Assessments: Ms. Griffis said she only has one or two more meetings and the County will be complete. She said meetings are started to be scheduled with FCC and FCPS.

FY19 Budget: Ms. Griffis said the FY19 budget process has begun and she does not plan on making any changes to the budget. The IIAA discussed requesting a one-time budget increase for FY19 to compensate for some of the in-kind costs and to try to catch up on the audit work log which is currently looking at a 10-year back log.

IIAA Resolution: Ms. Griffis said she hasn't received any word on the IIAA Resolution adoption.

At 9:26am: Mr. Steven Darr made a motion to end and adjourn the September 20, 2017 IIAA Meeting.

Respectfully Submitted,



Dawn Reed
Administrative Coordinator