



## 08.20.2018 Audit Committee Meeting Minutes

**To:** Paul Lawler, Audit Committee Chairman

A handwritten signature in black ink, appearing to read 'Paul Lawler', is written over the 'To:' line.

**From:** Chris Compton, Secretary

**CC:** Sterling Cheatham  
Allison Collins  
Jennifer Maready  
Bryon Dorey

**Date:** August 20, 2018

---

### Call to order:

Paul Lawler, Audit Committee Chairman, brought the meeting to order at 10:42 a.m. on August 20, 2018 in the Budget Conference Room.

### Members Present:

Paul Lawler  
Charlie Rivenbark  
Clifford Barnett

### Staff Present:

Allison Collins  
Jennifer Maready  
Sterling Cheatham

Tony Caudle  
Chris Compton

### Summary of Action Items:

- 1. Review for Approval – Approval of the May 14, 2018 Audit Committee Meeting Minutes**
  - A motion was made by Councilman Clifford Barnett and seconded by Councilman Charlie Rivenbark to approve the May 14, 2018 Audit Committee Meeting Minutes. The motion was unanimously approved.
- 2. Review for Approval - Internal Audit Annual Loan Confirmations Memo for the Calendar Year Ended December 31, 2017 – Released July 11, 2018**
  - Allison Collins presented the report and noted that participants are randomly selected and rotated year-over-year, so that no one is selected two years in a row.
  - Councilman Charlie Rivenbark suggested that all loan holders be sent the Loan Confirmation Memo rather than random selection.

- Jennifer Maready noted that the City contacts loan holders on a monthly basis via monthly loan statements.
  - Allison Collins also reported that “Change of Address” replies trigger further reviews to make sure that loan requirements are being met.
  - Allison Collins also noted that “Undeliverable” replies also trigger further reviews.
  - A motion was made by Councilman Charlie Rivenbark and seconded by Councilman Clifford Barnett to accept the Internal Audit Annual Loan Confirmations Memo for the Calendar Year Ended December 31, 2017 – Released July 11, 2018.
  - The motion was unanimously approved.
3. **Provided for Reporting Purposes – City Council Quarter/Year-End Travel Update – for the fiscal year ended June 30, 2018 (Fiscal Year 17-18)**
- Allison Collins reviewed the report and noted that the Fiscal Year 18-19 figures will appear for the next reporting period.
4. **Provided for Information – Internal Audit Annual Work Plan for the 2018-2019 Fiscal Year**
- Allison Collins reviewed the Work Plan and answered questions from the Committee.
  - Councilman Charlie Rivenbark asked for the City Auditor to add an internal audit of the Police Department Car Wrecker Towing Program Vendor List to ensure proper vendor selection steps are being followed.
5. **Confidential Item Provided for Information – Internal Audit Fraud, Waste and Abuse Hotline Memo for the 2017-2018 Fiscal Year – Released July 9, 2018**
- Allison Collins reviewed the report and answered questions from the Committee.
  - The Committee suggested that the hotline needs better marketing to increase citizen usage. Ideas included:
    - The Hotline Phone Number should be more prominently promoted on the City website – home page.
    - The Voicemail message might be changed to encourage citizens to leave a message, even when they do not speak to a live operator.
    - The Hotline Phone Number should be listed along with the other phone numbers on the back page of the Citizen Newsletter.
6. **Extra Item – Purchase Orders and the Council PO Memo Process**
- Councilman Paul Lawler introduced this item regarding the wait times associated with Purchase Requisition items that appear on the twice-monthly Council PO Memo.
  - Jennifer Maready reviewed the Council PO Memo Process which currently delays the conversion of the Purchase Requisition to an active Purchase Order Number until after the Council PO Memo is distributed and after the subsequent 48-hour question-and-answer period for Council Members.

Waiting for the City Council member responses, if any, can result in an almost 3-week delay in converting the Purchase Requisition into a Purchase Order.

- Councilman Paul Lawler noted that the Governance Committee is proposing a change to this process, which would enable the Purchasing Department to assign the Purchase Order Number as soon as the paperwork is completed, without waiting for the PO Memo Process and Council response period.
- Councilman Charlie Rivenbark asked for Sequential Numbers be added to the list of items on the Council PO Memo to make it easier to identify specific Purchase Requisition(s) with any questions/concerns.
- Councilman Paul Lawler noted that this new process will need to be approved by the full City Council.

### **Adjournment**

- A motion was made by Councilman Charlie Rivenbark and seconded by Councilman Clifford Barnett to adjourn the meeting. The motion was unanimously approved.
- The meeting was adjourned at 11:10 a.m.