

Bowling Green Audit Committee
Regular Meeting
October 1, 2007

The Bowling Green Audit Committee convened in a regular meeting at 3:30 p.m. on October 1, 2007 in the City Hall Commission Chamber. The meeting was called to order by Chairman Charles Hays. Members of the Committee present were: Audit Professionals Charles Hays and Harold Wills, General Business members Jean Cherry and James Martens and Ex-Officio member City Manager Kevin DeFebbo. Absent: Commissioner Brian Strow. Also present were Internal Auditor Deborah Jenkins and Assistant City Clerk Ashley Watt. There was a quorum of the board present.

Approval of Minutes.

Chairman Hays announced that the first item of business was to approve the minutes of the August 6, 2007 special meeting, which were mailed with the agenda to the members for their review prior to the meeting. Motion was made by Mr. Martens and seconded by Mr. Wills to accept the minutes as written. The minutes were approved as written by unanimous vote.

Review Petty Cash Incident Report and draft policy.

The first item of discussion was the explanation of the petty cash incident report and a brief review of the drafted petty cash policy. Ms. Jenkins reviewed the incident report she completed and explained that the incident appeared to have happened when the custodian would keep receipts and after receiving a reimbursement check, she would reimburse the employee. Ms. Jenkins said that she met with the Department Head and decided that a petty cash policy should be established for all departments to follow. She indicated that the policy would require reconciliation to occur on a monthly basis and the individual receiving reimbursement would be required to sign for it. Mr. DeFebbo recommended including a total maximum amount of money that a department could keep in petty cash. Ms. Jenkins noted that the Purchasing Agent would provide training and create a reconciliation sheet for all custodians to complete. Ms. Cherry questioned when the petty cash policy would be finalized and Ms. Jenkins predicted within a month, depending upon when the golf audit was completed.

Review new Audit Forms.

Ms. Jenkins reviewed some of the audit forms she had created. The forms included Fiscal Year 2007/2008 audit activity records, Fiscal Year 2007/2008 audit actions and an internal audit timesheet, which would all be updated on a regular basis. Ms. Jenkins noted that the idea for these particular documents was based on training sessions she had attended. She further explained that the activity record and action document would assist her in keeping track of projects and their status, and the timesheet would allow her to appropriately calculate time spent for auditing, training, administration, personal time, etc.

Review updated IT System Access and Training Enrollment Form.

Ms. Jenkins reported that she met with the Information Technology Department to determine appropriate IT system access and to update IT forms. She confirmed that IT Director Lynn Hartley had created an updated enrollment form for all new employees and/or those with position changes, which would allow the IT Department to provide the appropriate system access for each employee. She also reported that the IT Department established a 90-day mandatory password change requirement.

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Discuss progress on Golf Operations Audit.

Ms. Jenkins discussed her progress on the Golf Course Operations Audit with the Committee. Mr. DeFebbo recommended that the Golf Division Manager be invited to attend an upcoming Audit Committee meeting to provide an opportunity to ask questions and make recommendations. Ms. Jenkins planned to have the golf audit finalized within two weeks and each Committee member would receive a copy prior to the next regular meeting. Also, Mr. DeFebbo suggested discussing taxable fringe benefits at the next regular meeting.

A Committee member questioned when the external audit would be completed and Ms. Jenkins stated that she would confirm with Chief Financial Officer Jeff Meisel and report back at the next meeting. The Committee briefly discussed its expectations of the external auditors and recommended that a presentation and proposal be made to the Audit Committee prior to presenting it to the Board of Commissioners.

The next quarterly meeting is scheduled at 3:30 p.m. on January 7, 2008.

Chairman Hays announced the next quarterly meeting date.

Adjournment.

There being no other business to be conducted, at 4:20 p.m. Chairman Hays declared the meeting adjourned.

Date Approved

Charles Hays, Chairman

Ashley Watt, Assistant City Clerk