

Bowling Green Audit Committee
Regular Meeting
April 12, 2010

The Bowling Green Audit Committee convened in a regular meeting at 3:30 p.m. on April 12, 2010 in the City Hall Commission Chamber. The meeting was called to order by Chairman Harold Wills. Members of the Committee present were: Audit Professionals Charles Hays and Harold Wills, General Business members Jean Cherry and James Martens, Commissioner Bruce Wilkerson and Ex-Officio member City Manager Kevin DeFebbo. Absent: None. Also present were Daily News reporter Andrew Thomason, Internal Auditor Deborah Jenkins and Assistant City Clerk Ashley Jackson. There was a full quorum of the board present.

Approval of Minutes.

Chairman Wills announced that the first item of business was to approve the minutes of the January 4, 2010 regular meeting, which were mailed with the agenda to the members for their review prior to the meeting. Motion was made by Mr. Hays and seconded by Mr. Martens to accept the minutes as written. The minutes were approved as written by unanimous vote.

Discuss Follow-up of Citywide Compensatory Time Review.

Ms. Jenkins provided the follow-up report regarding the compensatory time review. She explained that as of April 1, 2010 the Logos software had been structured to allow all earned compensatory, time as well as time taken, to be approved and entered into the system for each payroll period. Furthermore, an updated request for compensatory hours form had been established by the Human Resources Department and she assured that staff had begun using the new form in order to immediately comply. Ms. Jenkins expressed her gratitude to multiple departments who took part in launching the new procedure, including Information Technology, Finance, Police, Parks and Recreation and Human Resources, and Senior Management Staff for approving the implementation. She emphasized to the Committee that the procedures had been fully implemented as of the prior payroll period.

Discuss FY2011 Requested Budget.

Ms. Jenkins reported that she had finalized her Fiscal Year 2011 budget request and comparable to last years non-personnel budget, it had considerably decreased due to budget reductions, and the total projected Fiscal Year 2011 budget was \$79,320. She recognized that 93.17% of the budget consisted of the required external audit contracts, and the remaining 6.83% related to audit membership costs, the minimum continuing education funds to in order to meet government auditing standards, and the basic supplies necessary to perform the audit function and conduct the annual agency training. In addition, she indicated that she had eliminated several items from the budget which included a cell phone stipend, postage and freight, and local mileage reimbursement. Ms. Jenkins also commented that in the future she still had hopes to include funding in the budget for an external auditor to provide an Information Technology Audit for the City; however due to the economic situation she could not possibly predict if and when that would occur. Ms. Cherry suggested using the City's external auditor to take a more in depth approach with the Information Technology Department during its next external audit rather than budgeting for an outside auditor to perform those services. Ms. Jenkins indicated that she appreciated Ms. Cherry's suggestion and would plan to discuss that further when the external auditors contract reached its renewal period.

Discuss Agency Procurement Fraud Prevention class.

Ms. Jenkins discussed that the second annual complimentary three day training was held by she and Purchasing Agent Jennifer Portmann in the approach to educate City appointed board and commission members. The focus was on the understanding of procurement and ways to prevent fraud. Also, Contract Agencies were invited and required to attend as it was a mandatory rule that at least one representative from each agency had to be present at one of the sessions or they would be automatically disqualified for any City funding. She reported that there were 46 attendees and she received positive feedback from the agencies, many of which requested copies of City forms and documents in order to create their own.

Discuss Identity Theft Prevention staff Pure Safety lesson.

Additionally, Ms. Jenkins discussed the creation of an Identity Theft Protection lesson which was made available for City employees to view on the Pure Safety program. The Pure Safety program was designed for City employees to take training lessons via computer, rather than having training away from the office. Ms. Jenkins used a video that had been created by the Federal Trade Commission (FTC) and she also constructed a quiz, both of which were assigned to all employees with computer access, including full-time and part-time. The lessons for Pure Safety are issued and managed by the Human Resources Safety and Risk Manager Dave Weisbrodt, and all Pure Safety users are requested to successfully complete the task(s) assigned to them. Ms. Jenkins reported that a total of 305 of the 499 employees, who were assigned the lesson, completed it.

Prior to discussion of the next agenda item, Ms. Jenkins wanted to indicate to the Committee that Harold Wills and James Martens' terms were to expire on May 1st; she received confirmation that Mr. Martens had agreed to be reappointed to his position, but unfortunately, Mr. Wills decided to allow his term to expire. Ms. Jenkins provided him with a letter of appreciation from Mayor Walker and a thank you clock from the City for his service to the Audit Committee. Ms. Jenkins further commented that Mayor Walker would be appointing an Audit Professional to that position at an upcoming Board of Commissioners meeting.

Discuss progress on BGPD Payroll Audit.

Ms. Jenkins provided an update of the progress on the Bowling Green Police Department (BGPD) payroll audit. She stated that she had originally planned to present the audit at this meeting however management requested additional time to respond to the recommendations. A draft payroll report had been completed and reviewed, and she had also met with all the appropriate departments to discuss the report, however management determined it to be in the best interests of the City to invite Mr. James Driver from the Department for Local Government (DLG) to visit the City in order to clarify the administration of off-duty contracts. Ms. Jenkins confirmed she would keep the Committee up-to-date and planned to have the BGPD payroll audit report ready for discussion at the next regular meeting.

The next quarterly meeting is scheduled at 3:30 p.m. on July 12, 2010

Chairman Wills announced the next quarterly meeting date.

(Minutes-Bowling Green Audit Committee – April 12, 2010)

Adjournment.

There being no other business to be conducted, at 4:30 p.m. Chairman Wills declared the meeting adjourned.

Date Approved

Charles Hays, Acting Chairman

Ashley Jackson, Assistant City Clerk