

Bowling Green Audit Committee
Regular Meeting
April 8, 2013

The Bowling Green Audit Committee convened in a regular meeting at 3:30 p.m. on April 8, 2013 in the City Hall Commission Chamber. The meeting was called to order by Chairman David McKillip. Members of the Committee present were: Audit Professionals David McKillip and Cristi Pruitt, General Business members Scott Gary and Tony Witty and Ex-Officio member City Manager Kevin DeFebbo. Absent: Commissioner Joe Denning. Also present were Bowling Green Fire Department Chief Greg Johnson, Internal Auditor Deborah Jenkins and Assistant City Clerk Ashley Jackson. There was a quorum of the board present.

Approval of Minutes.

Chairman McKillip announced that the first item of business was to approve the minutes of the January 14, 2013 regular meeting, which were mailed with the agenda to the members for their review prior to the meeting. Ms. Jackson indicated that she had not included Mr. Witty's name as a present member and that was revised. Motion was made by Mr. Gary and seconded by Mr. Witty to accept the minutes as amended. The minutes were approved as amended by unanimous vote.

Present BGF D Payroll Follow-up report.

Ms. Jenkins introduced Fire Chief Greg Johnson who was in attendance and available for questions during the review of the follow-up. She explained that there were a total of five (5) recommendations that were previously observed during the audit. The first recommendation was that two administrative staff members worked 10 hour shifts however the payroll system reflected that they worked 8 hour shifts; the payroll system needed to correctly reflect the 10 hour shift in both time worked and leave taken or they should return to a normal 8 hour working day. This recommendation was implemented, as the employees returned to a normal 8 hour work day. Secondly, the BGF D should implement a system of reporting leave time and overtime that would be accountable and ensure all leave taken and overtime earned by employees was properly approved and timely entered in the payroll system. The status was determined to be not implemented. The third recommendation was that the emergency leave needed to be reviewed by management and confirm the validity of such departmental leave. If the City wishes to continue this department specific leave, then it should be properly defined, and approved reasons should be established. This leave should also be entered into the payroll system and tracked to ensure that it is limited per the BGF D policy. This recommendation was not implemented as the policy had not been revised in 9 years. The fourth recommendation was that the Human Resources Department should update the Administrative Personnel Policy and Procedures Manual to reflect the Firefighter II special certification pay and this was determined to be implemented. The policy was updated November 1, 2011 by the Board of Commissioners. Ms. Jenkins lastly reviewed the fifth recommendation and that included that the BGF D should consider the use of time keeping software to manage the annual leave bid process, call back procedures, and other payroll related processes. Ms. Jenkins also stated that the City was planning the implementation of the new payroll system and it was confirmed that it was compatible for all departments in the City, including Police and Fire. At this time the Information Technology (IT) Department will be initiating the installation and setup. It was confirmed that once the system was in place, many of the time keeping recommendations would become implemented.

Discussion of March 8, 2013 narcotics burn.

Ms. Jenkins reported that the 2013 Bowling Green Police Department narcotics burn was completed. She and Evidence Custodian David Bragg of the Bowling Green Police Department examined all items marked for disposal and compared the case numbers to the ones provided on the Bowling Green Narcotics Disposal (BGND) form. All hazardous material was removed from the boxes and then sealed with tamper proof evidence tape, signed and dated and then taken for destruction. On March 8, 2013 Ms. Jenkins, Mr. Bragg and Major Penny Bowles witnessed 757 units of narcotics related evidence being destructed at the Gallatin Steel Company in Ghent, Kentucky.

Approve renewal of external audit contract with Mountjoy Chilton Medley.

The approval of this item was required by the Committee as in years past before any external auditing services could be performed. Mountjoy Chilton Medley would want to begin auditing in late June and in order to do so the Audit Committee would need to approve the renewal of contract for its fifth and final year. Following the Committee’s approval it would then be required to go before the City Board of Commissioners for approval. Ms. Jenkins also indicated that in the fall the Audit Committee would need to discuss the Request for Proposal (RFP) for external audit services process since this would be the final contract year for Mountjoy Chilton and Medley. Motion was made by Mr. Witty and seconded by Ms. Pruitt to accept and approve the renewal of the external audit contract with Mountjoy Chilton Medley, for the fifth and final term. The contract was approved as presented by unanimous vote. Ms. Jenkins confirmed that the approval of the renewal for the external audit contract was scheduled to go before the Board of Commissioners for approval at the next Board of Commissioners meeting.

Discuss FY2014 requested budget.

Ms. Jenkins reported that she had finalized her Fiscal Year 2014 budget request and the total projected Fiscal Year 2014 budget was \$91,365. She summarized the various items that were budgeted and included professional services (external audit and Employee Fraud/Ethics Hotline), telephone costs (cell phone stipend), local meeting costs, dues-memberships-fees, travel costs, special education, local mileage reimbursement, operating supplies and books and publications. Ms. Jenkins commented that the Employee Fraud/Ethics Hotline had been approved by management and would be fully implemented very soon.

The next quarterly meeting is scheduled at 3:30 p.m. on July 8, 2013.

Ms. Jenkins announced the next quarterly meeting date.

Adjournment.

There being no other business to be conducted, at 4:15 p.m. Chairman McKillip declared the meeting adjourned.

Date Approved

David McKillip, Chairman

Ashley Jackson, Assistant City Clerk