

Bowling Green Audit Committee
Special Meeting
January 27, 2022

The Bowling Green Audit Committee convened in a special meeting at 3:30 p.m. on January 27, 2022 in the City Hall Commission Chamber. The meeting was called to order by Chairman Brian Dinning. Members of the Committee present were; Audit Professionals Brian Dinning and Pamela Napier, General Business members John Ward and Vivian Grise and Commissioner Melinda Hill. Absent: Ex-Officio member City Manager Jeff Meisel. Also present were Assistant City Manager/Chief Financial Officer Katie Schaller-Ward, City Internal Auditor Deborah Jenkins and Assistant City Clerk Hope Spiller. There was a full quorum present.

Approval of Minutes.

Chairman Dinning announced the first item of business was to approve the minutes of the October 25, 2021 special meeting, which were mailed with the agenda to the members for their review prior to the meeting. Motion was made by Ms. Hill and seconded by Ms. Grise to accept the minutes as written. The minutes were approved by unanimous vote.

Presentation of the 2021 Annual Audit Report.

Ms. Jenkins reviewed the 2021 Annual Audit Report and stated the following audits had been completed in Calendar Year 2021: BGPD Body Worn Camera Audit, City Social Media Review, Petty Cash Audit, Delinquent Real Property Tax Collection Audit, Fitness Center follow-up Audit and Fleet Core Audit. Additionally, she stated 143 site visits to City facilities and properties were completed during the year. Ms. Jenkins further reported there had been six (6) cases reported through the Ethics Hotline in 2021 and a total of sixty-two (62) reports had been reported since implementation in 2013. She reviewed direct and indirect audit hours, with 87% of the total worked hours being direct audit hours, reaching her goal of at least 70% direct audit hours. She stated during Fraud Awareness Week in November, she conducted her third fraud awareness training game and was able to do multiple brief lessons with 269 employees within all ten (10) City departments. Lastly, Ms. Jenkins reported she had begun her two year term as an At-Large Board member for the Association of Local Government Auditors in May of 2021.

Discuss Fleet Core Fee Audit.

Ms. Jenkins reviewed the findings of the Public Works Fleet Division Fleet Core Fee Audit and said the objective was to determine if there was an accountable system to track part related core fee charges and corresponding credits for returned cores from January 1, 2020 through April 30, 2021. She further stated the recommended process had not been fully implemented and it was determined the Fleet Division should continue to work with the Information Technology (IT) Department to fully implement a system and create an appropriate segregation of duties. Ms. Jenkins noted the change in Fleet Division management and stated she would revisit this audit in 2023.

Discuss Delinquent Real Property Tax Audit.

Ms. Jenkins reviewed the findings of the Delinquent Real Property Tax Audit and stated the coronavirus pandemic had placed a halt on collection letters being sent out by the City's Legal Department. It was stated approximately 97% of property taxes are collected within six (6) months of the due date, however, the Legal Department should create a consistent procedure for the collection of the remaining 3% of delinquent property taxes. Assistant City Manager/Chief Financial Officer Katie Schaller-Ward stated it could take an additional year to fully implement a consistent process.

Discuss Fitness Center Audit Follow-Up Audit.

Ms. Jenkins stated this audit was a follow-up from the initial audit in 2018 of the City's Fitness Center. She stated of the five (5) recommendations, two (2) have been fully implemented, including the condensing and simplifying of membership types and rates, and moving member medical history information to a more secure area within the RecTrac Software. The coronavirus pandemic impacted the Fitness Center with closures and restrictions which reduced membership and participation, so a review of activity has been delayed until normal operations resume. The remaining two (2) recommendations including the implementation of more advertising and formalizing an agreement with Rivendell Behavioral Health had not been implemented.

Review 2021 Ethics and Integrity Survey, EthicsPoint Q&A Video and fraud awareness activities.

Ms. Jenkins reviewed the Ethics and Integrity Survey and stated approximately 224 employees completed the survey and she was pleased with the response. She further stated she worked with the City's Broadcast Specialist to create an Ethics Point Q&A video to review the City's Ethics Hotline. She further reported she was able to purchase Ethics Hotline mousepads for all City employees.

Discussion of "The Audit Perspective" monthly highlights.

Ms. Jenkins reviewed the Audit Perspective monthly highlights, which were sent to all City employees on a monthly basis.

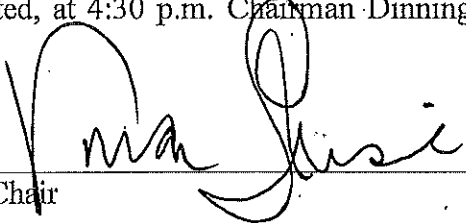
The next quarterly meeting is scheduled at 3:30 p.m. on April 11, 2022.

The next quarterly meeting date was announced.

Adjournment.

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

July 13, 2022
Date Approved


Chair


Ashley Jackson, City Clerk

Minutes prepared by Assistant City Clerk Hope Spiller