

**INTERAGENCY INTERNAL AUDIT AUTHORITY
OPEN SESSION MINUTES
APRIL 20, 2022**

The Interagency Internal Audit Authority (IIAA) met virtually at 8:00 a.m. Those present were:

IIAA Members: Vice Chair Nicole Prorock, Shaun Jones, Council Member Steve McKay, Dr. April Miller, and Sue Johnson

IA Staff: Tricia Reaver and Dawn Reed

FCC Staff: Amy Stakes

FCPS Staff: Melissa Rollison

FCG Staff: Erin White and Melanie Thom

Contractors:

SC&H: Matt Simons and Sam Fitzgerald

CLA: Sean Walker and Cheri Amoss

SB & Company: Chris Lehman

Approval of Agenda – April 20, 2022

Mrs. Sue Johnson made a motion to accept and approve the agenda for April 20, 2022, seconded by Mr. Steve McKay. All those present voted in favor. (Mr. Jon Alexander and Mr. Shaun Jones absent). The motion passes.

Approval of Open Meeting Minutes – March 16, 2022

Mr. Steve McKay made a motion to accept and approve the IIAA open meeting minutes of March 16, 2022, as submitted, seconded by Dr. April Miller. All those present voted in favor (Mr. Jon Alexander absent). The motion passes.

Status of Assignments

CLA:

FCG Hotel Rental Tax – Mrs. Reaver said all testing for this audit is wrapping up and the report is being drafted and ready for a vote at next month's meeting. Cheri Amoss, CLA, confirmed, stating they have one hotel they are waiting on information and are drafting the report.

FCPS Classical Charter Schools (FCCS) – Mrs. Reaver said the draft report has been sent to FCPS for their responses due by April 27th. She said this report will be in final draft and ready for a vote at next month's meeting. Mr. Sean Walker, CLA, confirmed.

FCG Pension Plan (new task order) – Mrs. Reaver said she is drafting a new task order for this engagement as noted on the risk assessment. The draft task order will be sent to CLA for their review and response. She said it should be ready for a vote at the May meeting.

SC&H:

FCC Fixed Assets and Inventories, Accountability and Surplus - Mrs. Reaver said the planning phase of this audit is complete and is waiting on the draft audit plan for testing phase from SC&H. Mr. Samuel Fitzgerald said the audit plan is being drafted and reviewed and he will have it to Mrs. Reaver for her review by either the end of the week or early next week.

New Task Order #22-04, FCG Fuel Contractor – Mrs. Reaver said this new task order has been drafted, a response received from SC&H, and is in the packet for a vote.

Mrs. Sue Johnson made a motion to accept and approve, and issue to SC&H, Task Order #22-04, Frederick County Government Fuel Contractor, seconded by Mr. Steve McKay. All those present voted in favor (Mr. Jon Alexander absent). The motion passes.

FCPS School Construction (new task order) – Mrs. Reaver said she is drafting a new task order to issue to SC&H, and she plans to have it ready for a vote at the May meeting.

Special Projects and Other Work:

FCPS School Activity Funds – Mrs. Reaver said she and Mrs. Dawn Reed have finished their testing of all the high schools and have completed two middle schools (New Market Middle and Thomas Johnson Middle). She said Mrs. Melissa Rollison, FCPS, will be completing the elementary schools.

FCG Non-County Agency Review – Mrs. Reaver said this review is taking a look at a non-county agency and their budget funding from the County. The agency is the Frederick County Action Agency (FCAA). She said their funds are for County-wide services but go through the City. The review is looking at how the City is spending those funds and how they relate to the City's Federal Single Audit based on programs. Mrs. Reaver noted that the City's single audit for FY21 was released recently with 6 findings which shows some concern in the management of grants funds.

Follow Ups:

FCG Capital Projects – policies & procedures have been reviewed by County Attorney and is potentially being sent to County Council for adoption. FCPS PII – follow up in process; policies & procedures needing to be updated. FCPS plans to contract legal counsel to assist with this by end of calendar year 2022.

FCG Fleet Services – follow up on minor items with Fleet services, 1 major outstanding item is fuel billing for solid waste, they are hoping this has been resolved and finance will be checking over the next 2 months.

FCG Ambulance Billing Services – will be closed out this month.

FCG CCRC/Montevue – follow up in process; 2 open items to hold until 2023.

FCC P&C – follow up in process; expect to close once new president is in place.

FCG Incident Response & Disaster Recovery – first follow up sent; second follow up to be sent in September/October 2022.

FCPS Timesheet Controls – follow up memo sent requesting their responses by April 29, 2022.

FCPS Financial Transactions – follow up memo sent requesting their responses by April 29, 2022.

FCC Network Security – follow up memo sent, requesting their responses by April 29, 2022.

FCPS Network Security – follow up memo will be sent out September 2022.

FCG Network Security – follow up memo sent, requesting their responses by April 29, 2022.

FCG DFRS Matrix – follow up memo to be sent this week.

FCG DFRS Fleet Cost Comparison – follow up memo to be sent this week.

Fraud Hotline

FCPS – Mrs. Reaver said they had none, however, the quarterly report from Lighthouse was sent over to us and has been reviewed. The report included 1 item from a month ago. She noted that the issue has been investigated and that no further action is needed.

FCC – Mrs. Reaver said they had none.

FCG – Mrs. Reaver said they had none.

Other Business

Risk Assessments – Mrs. Reaver said the FCC risk assessment is in your packet and ready for a vote.

Mr. Steve McKay made a motion to accept and approve the Frederick Community College Risk Assessment, seconded by Dr. April Miller. All those present voted in favor (Mr. Jon Alexander absent). The motion passes.

IIAA Membership - Mrs. Reaver said we still have an opening for Mr. Steve Darr's open seat. She said she will be reaching out to the MACPA to place an ad. Mrs. Reaver said we are still placing ads in the Frederick News Post as well as on the FCG website. She said Mr. Jon Alexander's seat will be open at the end of June and he has already submitted his resume and letter of interest to continue. She said that we can vote on his nomination to forward to the County Council at next month's meeting.

IIAA Meetings - Mrs. Reaver said we are planning to continue our meetings through Teams as virtual meetings, however, since Winchester Hall is open to the public, the IIAA members are welcome to come in and attend the "virtual meeting" with us in our conference room as we will be utilizing a rolling tablet to conduct and display the meetings.

At 8:41 a.m., Mrs. Nicole Prorock ended and adjourned the April 20, 2022, IIAA meeting.

Respectfully Submitted,



Dawn Reed
Coordinator, Internal Audit