

**INTERAGENCY INTERNAL AUDIT AUTHORITY
OPEN SESSION MINUTES
JULY 19, 2017**

The Interagency Internal Audit Authority (IIAA) met at 8:00 a.m., July 19, 2017, in the 2nd Floor Winchester Conference Room of Winchester Hall, 12 E. Church Street, Frederick, Maryland. Those present were:

IIAA Members: Vice Chair Shaun Jones, Eric Wu, Bud Otis, Colleen Cusimano, and David Bufter

IA Staff: Tricia Griffis and Dawn Reed

FCC Staff: Bill Grutzkuhn

FCPS Staff: Melissa Rollins

FCG Staff: None

Contractors:

SC&H: Ryan Kohan and Brian Gazlewski

CLA: Cheri King

External Auditors/Guests: Chris Lehman, SB & Company, LLC

Mr. Shaun Jones, Vice Chair, called the IIAA open meeting of July 19, 2017, to order at 8:03am.

Approval of Open Meeting Minutes – June 21, 2017

Mr. David Bufter made a motion to approve the open meeting minutes of June 21, 2017, with minor grammatical edit, seconded by Mr. Bud Otis. Those present voted in favor (Steve Darr absent for vote). The motion passes.

Status of Assignments

CLA:

Capital Improvements Projects – Ms. Griffis said draft report was emailed to IIAA members for review and is now with the staff for their management responses. She said she has received management responses from Finance Division and the Water and Sewer Division; still waiting on comments back from DPW.

Hotel Rental Tax – Ms. Cheri King, CLA, said the audit has a slight delay due to one last hotel that had a management change. She said testwork has been completed with the Tourism Council and the Accounting Department. Ms. King said the report is about 80% complete and are working through drafting the report and the internal review process.

SC&H:

FCG/FCC/FCPS PII – Mr. Ryan Kohan said that the FCG PII audit is the furthest along at this point and have completed all of the modified audit scope reviews and will be moving into the reporting phase in the next week. He said at FCC, they have completed one of the modified scope areas and are underway with all of the others and moving ahead with scheduling. He said FCPS is in the earliest stages of the three projects but they are moving forward with the kick off meetings.

Water and Sewer Billings – Mr. Ryan Kohan said the entrance meetings for the testing phase of this audit will begin tomorrow.

Misc. Follow Ups:

Ms. Griffis said most all of the follow ups are still waiting on the County's new Infor System to be up and running and she will follow up again in September or October. She said the FCC Student and Corporate Account Receivable Follow up is scheduled for review at the end of August for testing of the responses and then will be closed out.

Fraud Hotline

FCG: 1 issue that needs to be discussed in a closed session (see justification below).

FCPS: None

FCC: None

Other Business

Resolution: Still waiting on confirmation.

Risk Assessments: Ms. Griffis said the FY18/FY19 risk assessment meetings are starting to be scheduled and held.

IIAA Public Member Opening: Only one letter of interest received. It was discussed and agreed upon by the IIAA that an interview be scheduled with Ms. Nicole Prorock before a motion is made to forward her name to the County Executive's Office. Dawn Reed will coordinate the scheduling.

August Meeting: Ms. Griffis said normally the IIAA does not meet in the month of August and asked if the IIAA would like to move forward and cancel the August meeting.

Mr. Bud Otis made a motion to cancel the IIAA August meeting and resume with the September 20th meeting, seconded by Ms. Colleen Cusimano. Those present were in favor (Steve Darr absent for vote). The motion passes.

At 8:56am a motion was made by Mr. Shaun Jones and seconded by Mr. Dave Buther to go into a closed session under General Provisions Art. § 3-305 (b) (1) "To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; any other personnel matter that affects one or more specific individuals."

At 9:09am: Mr. Shaun Jones made a motion to end and adjourn the July 19, 2017 IIAA Meeting.

Respectfully Submitted,



Dawn Reed
Administrative Coordinator