

**INTERAGENCY INTERNAL AUDIT AUTHORITY
OPEN SESSION MINUTES
March 19, 2014**

The Interagency Internal Audit Authority (IAA) met at 8:00 a.m., March 19, 2014, in the 3rd Floor Meeting Room, Winchester Hall, 12 E. Church Street, Frederick, Maryland. Those present were:

IAA Members: Steven Darr (Chair), Shaun Jones (Vice Chair), Bob Kimble, Commissioner Blaine Young, Doris White, and Colleen Cusimano

IA Staff: Tricia Griffis and Dawn Reed

FCC Staff: None

FCPS Staff: Rob Reilly

FCG Staff: Michael Grierson and Bob Baker

Contractors: None

External Auditors: None

Mr. Steven Darr called the IAA open meeting of March 19, 2014 to order at 8:15am.

Approval of Open Minutes

Commissioner Blaine Young made a motion to approve the open meeting minutes of February 19, 2014, as amended with one edit, seconded by Mr. Bob Kimble. All those present were in favor and the motion passed unanimously.

Status of Assignments

Ms. Tricia Griffis said the first item is the Frederick County Sheriff's Office Evidence Audit Report. Ms. Griffis said she has reviewed the report and is ready for IAA Action. She said we will discuss further and vote for approval in the closed session as time permits.

Ms. Griffis said SC&H has updated the audit report of Funding for Replacement/Maintenance of Fire & Rescue Apparatus and is the reason Mr. Michael Grierson and Mr. Bob Baker are here with us today. She said they will be working on the responses to the recommendations and hopefully will be able to provide them to us by April 10, 2014. Mr. Darr wanted to get some general feedback from Mr. Grierson and Mr. Baker. The IAA agreed that it is appropriate to discuss some general comments in the open session of this meeting. Mr. Grierson said both Fleet Services and DFRS went through the draft audit report and discussed which areas would be falling into their respective departments. He said most of those areas would be addressed by DFRS and is in the process of reviewing and addressing the recommendations now. Mr. Grierson said in the next few weeks, he, along with Ms. Griffis, will be visiting each fire station to do some inventory checks and addressing some maintenance and upkeep inventory on their apparatus. Mr. Darr asked if the some of the recommendations will need responses from Fleet Services and Mr. Grierson said that to be correct. Ms. Griffis said she has identified which of those recommendations will need responses from Fleet and which ones require responses from DFRS. She said DFRS will gather the responses from Fleet and will incorporate them into the final response document. The IAA decided further discussion was warranted and therefore decided to go into a closed session at this time.

Mr. Shaun Jones made a motion to go into a closed session at 8:30am in accordance with Maryland Annotated Code Government Article §10-508 (a) to conduct an Administrative Function. The topic to be discussed is the draft audit report of Funding for Replacement/Maintenance of Fire & Rescue Apparatus. This motion was seconded by Commissioner Blaine Young. All those present were in favor and the motion passed unanimously.

At this time, please refer to the closed meeting minutes of March 19 2014.

Ms. Griffis said Cotton and Company has completed the war driving for the audit Review of External Network IT Security Controls. She said they sent in their status report which is included as item #7b in the packet. Ms. Griffis said Cotton & Co. has continued to stay in contact with her and after looking at the budget to actual, they are not quite on target where they wanted to be originally, but they are moving along. She said she is continuing to stay on top of them and continues to track their billing as well. Ms. Griffis said she will update the IAA on where Cotton & Co. is at with their next milestone.

Referring back to SC&H, Ms. Griffis said she wanted to get the IAA's input on some billing issues. She said the contract states that if we believe the reporting is incorrect and ask the contractor to go back and fix, we are not responsible for the cost of correction. Ms. Griffis has seen some of these re-works and corrections being billed. She asked if the IAA would support her in any adjustments she requests SC&H to make regarding their billing. The IAA did agree that they would support her in any future questioning and adjustments of their billing hours.

Special Projects

Ms. Griffis said once she has gone out to each fire station and has completed the F&R inventory analysis, she will put together a memo with her recommendations.

Ms. Griffis said she will discuss the Sheriff's Department Overtime Analysis and the FCPS School Activity Fund in the closed session.

Ms. Griffis said Juror Funds was brought to her attention and she will discuss further in the closed session.

Ms. Griffis said she will also discuss the Director Termination Procedures in the closed session as well.

Follow-Ups

Ms. Griffis said there are a couple of follow-ups that will need to be addressed in April. She said FCC's External Facing IT Security will also have their follow-up coming due as well because it has been six months. Mr. Darr asked if there was a monthly chart/table that could be included in the monthly packets that show each of the open audits that have outstanding recommendations. Ms. Dawn Reed said that she would maintain this list and will include this report each month with the packet as an "open action item list."

IIAA Vacancy

Mr. Darr said we have received one resume of interest for membership and that applicant is Mr. Ed Burrell. Mr. Darr said he along with Ms. Griffis, Mr. Jones, and any other IIAA member should go ahead and schedule an interview with Mr. Burrell. He asked if the Internal Audit Division could contact Mr. Burrell and coordinate this interview.

Status of Hotlines

None

Other Business

Mr. Darr said he would like to postpone discussion of the Audit Manual to the April 16, 2014 meeting.

Mr. Darr asked if we had a response to our Peer Review that is scheduled for Spring 2014. Ms. Griffis said she did speak with the head of ALGA, who is in charge of administering the Peer Review and was informed there wasn't a need to have a Peer Review completed due to the fact that we are now contracting our audit services to an outside agency. Ms. Griffis said even though we conducted four in-house audits, we were still cleared of needing the Peer Review. Ms. Griffis said she does have this information in writing through emails and will provide that to the IIAA if necessary. Ms. Griffis said her "special projects" are considered non-attests and they don't fall under GAGAS. She said the contractors however, will be subject to the Peer Reviews.

Ms. Griffis said she has talked with the County Attorney, Mr. John Mathias, and he said, within the county code, there really isn't anything that we will need to change, other than the name (county commissioner → county executive) which they are already changing for everyone. She said within our resolution, we do have the opportunity now to make any changes. The IIAA agreed that the highlighted wording should be included as a change. The highlighted wording is "the discharge of any personnel shall occur through majority vote and official quorum by the IIAA. This vote may take place electronically when a situation warrants an immediate vote." Ms. Griffis said she would send the resolution back to Mr. Mathias for his approval and also send it to Human Resources for their approval as well.

Mr. Bob Kimble made a motion to end and adjourn the open session of the meeting, seconded by Ms. Doris White. All those present were in favor and the motion passed unanimously.

The open meeting adjourned at 9:30am.

Respectfully Submitted,



Dawn Reed
Administrative Coordinator