

**INTERAGENCY INTERNAL AUDIT AUTHORITY
OPEN SESSION MINUTES
January 21, 2015**

The Interagency Internal Audit Authority (IIAA) met at 8:30 a.m., January 21, 2015, in the Lower Level Conference Room of Winchester Hall, 12 E. Church Street, Frederick, Maryland. Those present were:

IIAA Members: Shaun Jones (Vice Chair), Bob Kimble, Colleen Cusimano, and Doris White. Mr. Steve Darr (Chair) participated by conference call later in the open meeting.

IA Staff: Tricia Griffis and Dawn Reed

FCC Staff: None

FCPS Staff: None

FCG Staff: None

Contractors: None

External Auditors/Guests: None

Mr. Shaun Jones called the IIAA open meeting of January 21, 2015 to order at 8:30am.

Approval of Open Minutes

Mr. Bob Kimble made a motion to approve the open meeting minutes of December 17, 2014, as written and submitted, seconded by Ms. Doris White. All those present were in favor, with Mr. Shaun Jones abstaining; the motion passes.

Status of Assignments

- **Cotton & Co: FCC Timesheet Controls:** Ms. Tricia Griffis said this audit is coming to a close. She said the findings were emailed to the IIAA and an exit conference was held with FCC last Thursday. Ms. Griffis said she went over all of the findings and FCC was in agreement to them. She said Cotton & Company will now formalize the audit report.
- **Cotton & Co: FCG, Fire & Rescue Financial Transactions Audit:** Ms. Griffis said this audit really didn't conclude anything major, only a few minor findings. She said this draft report is ready for a vote from the IIAA. Ms. Griffis said she and Mr. Bob Baker both submitted changes to Cotton & Company and those changes were incorporated into the report.

Mr. Bob Kimble made a motion to accept and approve Cotton and Company's internal draft audit report on Frederick County Fire and Rescue Financial Transactions, seconded by Ms. Doris White. All those present were in favor and the motion passed unanimously.

- **Misc. Follow-ups:** Ms. Griffis said the F&R Apparatus Repair and Maintenance follow-up was sent out. She said she received F&R's responses and noted that they are still implementing a lot of their policies and procedures and therefore will be following-up again in another six months to look for the finalized policy. Ms. Griffis said she will email those responses to the IIAA after she reviews.

Ms. Griffis said a follow-up went out to IIT for the Network Security Controls. She said Ms. Sherry Weakly will be responding with IT's responses by the end of February.

- **New Contracts:** Ms. Griffis said SC&H and Clifton, Larson, Allen (CLA) have been contacted and both of their contracts have been signed. She said we are moving forward with issuing task orders to both contractors. Ms. Griffis said the first will be the Hotel Rental Tax Audit and she will issue that to CLA and the FCG P-Card Audit (under the new system) and she will issue that to SC&H. Ms. Griffis said she would also like to issue a task order to CLA for a Budget Liaison for the County Council.

IIAA Resolution

Ms. Griffis said she met with County Executive Jan Gardner and the IIAA Resolution needs to be updated again. She said after research of other counties and how their boards are set up, Ms. Griffis recommends an 8-member Authority with the County Executive being the 8th member, non-voting, ex-officio member. She said this will keep the IIAA at 7 members with one member being from the County Council, appointed by the County Executive, because that is how it is currently written in the Resolution. Ms. Griffis also said she will meet with County Attorney John Mathias to discuss how we could change the County Code to allow for the County Council to appoint a member to the IIAA as opposed to the County Executive making that appointment. Ms. Griffis said she would put a memo together for the County Executive explaining some of these concerns.

After several discussions about the role of the County Executive position on the Authority, the IIAA agreed on the following actions:

Ms. Colleen Cusimano made a motion that in the interest of complete transparency and independence of this Authority, we remove the County Executive position as having any role/authority or as a member of the IIAA, seconded by Mr. Bob Kimble. All those present were in favor and the motion passed unanimously.

Mr. Bob Kimble made a motion to amend the IIAA Resolution and submit to the County Council for approval with noted changes to Pg. 4/Section 5/Paragraph 2, to read “The IIAA shall be responsible for the employment and discharge of qualified personnel necessary for its operations within the limitation of the County approved budget. This motion was seconded by Ms. Colleen Cusimano. All those present were in favor and the motion passed unanimously.

Mr. Bob Kimble made a motion to amend the IIAA Resolution and submit to the County Council for approval with noted changes to Pg. 3/Section 4 A “Meetings,” to remove the last sentence of that paragraph and to add the word “open” to the first sentence. This motion was seconded by Ms. Colleen Cusimano. All those present were in favor and the motion passed unanimously.

Special Projects

Ms. Griffis said she will discuss special projects further in the closed session of this meeting.

FY16 Budget

Ms. Griffis said the program budget was approved as of December 2, 2014.

Risk Assessment

Ms. Griffis said she will be starting to look at the risk assessment again and will put together a more current audit work plan.

Fraud Hotline

FCG – None
FCPS – None
FCC – N/A

Mr. Shaun Jones made a motion to end and adjourn the open session of the meeting and go into a closed session (see closed minutes), seconded by Ms. Colleen Cusimano. All those present were in favor, and the motion passed unanimously.

The open meeting adjourned at 9:45am.

Respectfully Submitted,



Dawn Reed
Administrative Coordinator