



**Audit Committee**  
**Meeting Agenda**  
**Wednesday, February 12, 2020**  
**5:00 – 6:00 pm**  
**City Hall, Room 103**

**A. Review and approval of meeting minutes – December 12, 2019**

**B. Status of Audit Work Plan Activity**

- Public Utilities Department — Water Business Office
- Central Services Department — Fleet Management Program
- Sheriff's Office — Inmate Medical Services
- Animal Services Department — Animal Shelter

**C. FY21 Operating Budget**

**D. 2020 Overview Commission**

**E. 2020 Work Plan**

**F. Upcoming Meeting Dates –** The Committee will meet on the second Wednesday of the month

March 11, 2020	August 12, 2020
April 8, 2020	September 9, 2020
May 13, 2020	October 14, 2020
June 10, 2020	November 11, 2020
July 8, 2020	December 9, 2020

**Attachments:**

1. February 12 Meeting Agenda
2. Minutes for review and approval from December 12 meeting
3. February 2020 –Status of Audit Work Plan Activity Report
4. Audit topics under consideration for 2020

**Note: The Audit Committee Meeting is open to the public; however, public comments are not received unless the Committee Chair requests that an individual provide information.**

# AUDIT COMMITTEE MEETING MINUTES

Thursday, December 12, 2019

## Committee Members Present:

Commissioner Melissa Link, Committee Chair  
Commissioner Patrick Davenport  
Commissioner Ovita Thornton

## Member(s) Absent:

Commissioner Russell Edwards  
Commissioner Allison Wright

## Staff:

Stephanie Maddox, Internal Auditor  
Jill Arquette, Management Analyst

## Visiting:

Blaine Williams, Manager  
Kelly Girtz, Mayor  
Deborah Lonon, Assistant County Manager  
Joshua Edwards, Assistant County Manager  
Glenn Coleman, Asst. Director, Public Utilities  
Sara George, Managers Office  
Lee Shearer, Athens Banner Herald  
Michael Smith, Community Citizen

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Committee Chair Link called the meeting to order at 4:54 pm.

### **A. October Minutes:**

Commissioner Thornton moved for approval of the October Minutes. Commissioner Davenport seconded. All in favor.

### **B. November Minutes:**

Commissioner Thornton moved for approval of the November Minutes. Commissioner Davenport seconded. All in favor.

### **C. Work Plan Update:**

Internal Auditor Maddox provided a status update on the audit work plan:

- Public Utilities Department – Water Business Office
- Central Services Department – Fleet Management Division
- Sheriff’s Office
- Animal Services

### **D. FY21 Operating Budget**

Internal Auditor Maddox discussed the FY21 Operating Budget submission for the Office of Operational Analysis. Internal Auditor Maddox reviewed the accounts (training, technological needs, auditing software) that have not been funded the last five years sufficiently.

### **E. Items for Discussion for February 12, 2020 meeting:**

Chair Link delayed discussion of the the following items until the next meeting when all Committee members should be present. Committee members present agreed.

- 2020 Audit Work Plan
- FY21 Operating Budget for OOA

The next Audit Committee meeting is scheduled for February 12, 2020, from 5 p.m. – 6 p.m. at City Hall, Room 103.

Commissioner Davenport motioned to adjourn the meeting. Commissioner Thornton seconded the motion. The meeting adjourned at 5:27 p.m.

## AUDIT STATUS REPORT

DATE: February 12, 2020  
 TO: Audit Committee  
 FROM: Stephanie Maddox, Internal Auditor  
 Office of Operational Analysis (formerly, the Auditor's Office)  
 SUBJECT: Status of Work Plan Activity

The following table summarizes the current status of each audit according to audit stages. A description of the audit stages is below the table.

### WORK IN PROGRESS

Audit	Status The percentage indicates the completion level	Completion Forecast
Clarke County Sheriff's Office – <b>Inmate Medical Services Contract</b>	<b>Pre-Audit Planning</b> – 100% <b>Discovery Stage</b> – 90% <b>Analysis</b> – 80% <b>Conclusions</b> – 0% <b>Recommendations</b> – 0%	<ul style="list-style-type: none"> <li>• Analyzing medical services expenditures.</li> </ul> February 2019
Public Utilities Department – <b>Water Business Office</b>	<b>Pre-Audit Planning</b> – 100 % <b>Discovery Stage</b> – 100% <b>Analysis</b> – 100% <b>Conclusions</b> – 100% <b>Recommendations</b> – 100%	<ul style="list-style-type: none"> <li>• Draft report submitted to department.</li> </ul> February 2019
Central Services Department – <b>Fleet Management Program</b>	<b>Pre-Audit Planning</b> – 100% <b>Discovery Stage</b> – 95% <b>Analysis</b> – 90% <b>Conclusions</b> – 85% <b>Recommendations</b> – 85%	<ul style="list-style-type: none"> <li>• Finalizing draft report</li> </ul> March 2020
Animal Services Department – <b>Animal Control</b>	<b>Pre-Audit Planning</b> – 70% <b>Discovery Stage</b> – 35% <b>Analysis</b> – 20% <b>Conclusions</b> – 0% <b>Recommendations</b> – 0%	<ul style="list-style-type: none"> <li>• Develop and deploy survey.</li> <li>• Begin field work.</li> <li>• Analyze data received through document request</li> </ul> April 2020

#### AUDIT STAGES

**Pre-Audit Planning:** OOA staff conducts literature reviews, identifies benchmark communities, research best practices, develops pre-audit survey(s), and requests documents related to the audit client. OOA staff conducts pre-conference meeting with the audit client/department (Dept. Director); discuss the audit process, the timing of fieldwork, and answer any questions.

**Discovery:** Interviews, information validation, observations and surveys. As this stage is critical to the preparation of a complete and meaningful audit, it consumes the majority of time involved.

**Analysis:** Assigning meaning/value to the information; determining what it reveals related to the scope of the audit. Defines systems, processes and practices in terms of effectiveness and efficiency.

**Conclusions:** Identifies and describes constraints and opportunities regarding developments and implementation of needed improvements.

**Recommendations:** Suggests action that can be taken in consideration of the constraints and opportunities.

**Proposed Audits for Calendar Year 2020**

	Department Audit Topic(s)	Additional Information	Proposed Audit Scope
1.	Animal Services Department <b>Approved</b>	<p>Newly established department placed under the Manager's Office.</p> <p><b>Areas of interest:</b></p> <ol style="list-style-type: none"> <li>To better protect the health and safety of animals in the Athens-Clarke County Animal Shelter.</li> <li>Evaluate existing operating procedures; do employees know how to access and use them.</li> <li>Do staffing levels meet minimum national standards for providing care to shelter animals.</li> <li>Review the existing animal database- are reports accessible</li> <li>Role of nonprofit partners in funding assistance and adoption procedures.</li> <li>Are staff properly trained to perform the duties of their jobs.</li> </ol>	<p><b>Objective and Scope:</b></p> <p>The <b>objective</b> of the audit is to evaluate Animal Services operations as compared to best practices and to determine whether they comply with applicable laws, regulations, and policies. The audit will focus on animal kennel care, shelter sanitization, policies and procedures, staffing, training, drug inventory management, and the department's automated information system.</p> <p><b>Proposed scope</b></p> <ul style="list-style-type: none"> <li>Analyze staffing levels needed to properly care for the animals within the shelter.</li> <li>Review shelter sanitization protocols to prevent the spread of pathogens leading to disease.</li> <li>Review the training practices established for length of time and skill development.</li> <li>Review impound protocols for health issues.</li> <li>Review certifications of staff to perform assigned duties within State regulations.</li> <li>Review departmental euthanasia policies and practices.</li> <li>Review budgetary allocations related to the annual operating budget for Animal Services.</li> </ul>
2.	Finance Department Purchasing Division	<p><b>Purchasing Card (P-Card) Program</b></p> <ol style="list-style-type: none"> <li>High value transactions and high amounts per month across multiple transactions</li> <li>Duplicate and split transactions</li> <li>Late or missing cardholder or manager approvals</li> <li>Keyword search could reveal personal transactions or other violations</li> <li>Maximum spending limit/day (per transaction)</li> <li>Are itemized receipts reviewed</li> <li>In FY19 the Purchasing Division issued 323 P-cards</li> </ol>	<p><b>Objective and Scope:</b></p> <ul style="list-style-type: none"> <li>Assess Internal Controls and processes/procedures of the P-card program.</li> <li>Are cardholders in compliance with the P-card policy</li> <li>Evaluate P-card reconciliation process</li> <li>Conduct financial transaction analysis to determine if unauthorized purchases are approved</li> <li>Is consistent documentation submitted by P-card users</li> <li>Determine if internal control weaknesses exist</li> </ul>
3.	SPLOST Program	<p><b>Areas of interest:</b></p> <p>One SPLOST program. For example, SPLOST 2011.</p>	<p><b>Objective and Scope:</b></p> <ol style="list-style-type: none"> <li>Administrative Oversight</li> <li>Project Savings</li> <li>Local Contractor support</li> <li>Citizen input and user group viability (are impacted citizens properly included in final project design process?)</li> </ol> <p>Do the details of the final project design match the original intent of the project as presented to the original citizen committee?</p>
4.	Grant Mgmt. Program  Administration, Compliance and Oversight	<p><b>Common findings</b></p> <ul style="list-style-type: none"> <li>Untimely report submissions</li> <li>Lack of documentation</li> <li>Inadequate monitoring of subrecipients</li> <li>Inadequate time/effort reports</li> <li>Commingling of funds</li> <li>Excess cash on hand</li> <li>Unallowable costs</li> <li>Inappropriate changes</li> <li>Conflicts of interest</li> </ul>	<p><b>Objective and Scope:</b></p> <ul style="list-style-type: none"> <li>Evaluate performance oversight and program outcomes</li> <li>Evaluate grant process (programmatic, budgeting, accounting, etc.)</li> <li>Are grant resources utilized in accordance with the contract</li> <li>Determine if training is needed</li> </ul>
5.	Board of Elections	<p><b>Risks unique to the elections process</b></p> <ol style="list-style-type: none"> <li>Segregation of Duties</li> <li>Document Management</li> <li>Policies and Procedures</li> <li>Reduced Confidence</li> <li>Voter Registration Systems</li> <li>Transmission based risks - Poll books</li> </ol>	<p><b>Objective and Scope:</b></p> <ul style="list-style-type: none"> <li>Determine whether BOE has the controls in place to ensure an accurate, fair, and efficient election</li> <li>To assess the effectiveness of BOE's efforts to comply with reporting and disclosure requirements</li> <li>Determine if the BOE has administrative rules, policies and procedures in place</li> <li>Assess the effectiveness of BOE's efforts to comply with reporting and disclosure requirements</li> </ul>