

# Cuyahoga County Audit Committee

## AGENDA

*Wednesday, December 12, 2012*

- I. Call to Order - meeting of December 12, 2012
- II. Approval of minutes of the meeting held June 27, 2012 and Special Meeting held August 8, 2012
- III. Public Comment
- IV. Approval of two staff auditor candidates
- V. Adoption of the Charter for the Internal Auditing Department
- VI. Discussion of proposed Internal Audit Policies
- VII. Discussion on the Audit Committee Charter
- VIII. Update on audit status
- IX. Release of CRIS audit
- X. Other Business
- XI. Public Comment
- XII. Next Meeting
- XIII. Adjournment



# Cuyahoga County Audit Committee

## MINUTES

*Wednesday, June 27, 2012*

Members Present: Jerry Brown  
C. Ellen Connally  
Sharon Cole (representing the County Executive)  
Veronica Rice  
Wade Steen, Chair

Guests: Joseph Boatwright  
Valerie J. Harry  
Bonnie Inniss  
Joseph Nanni  
Mark A. Parks, Jr.

- I. A meeting of the Audit Committee was called to order at 11:05 AM.

The Committee was introduced to Joseph Boatwright from the Legal Department. Mr. Boatwright will attend all regular scheduled meetings as requested by C. Ellen Connally.

- II. A motion to approve the minutes of the meeting held April 18, 2012 was made by Ms. Connally, seconded by Mr. Brown. The minutes were approved as presented.

- III. No Public comment.

- IV. Mr. Parks presented an overview of the report presented to the Cuyahoga Regional Information System's (CRIS) Board of Directors. The report summarized the review of procedures agreed to by the Board, and the findings and recommendations resulting from the review. The review process uncovered some operational weaknesses that can be corrected by following the recommendations as outlined in the report. Mr. Parks said the review is preliminary and Valerie Harry will prepare for the full audit.

Ms. Harry summarized the process for a full review, noting that she will be looking more at processes, purchasing, normal expenditures, revenues in treasuries, and

reconciliation. There are some issues with TRI-C, i.e., all entities are not paying the same fee and there is no rationale as to why they don't.

Mr. Steen asked for questions and comments on the review and audit process. He asked the Committee if they were okay with Internal Auditing's continual work with CRIS, which he considers a worthwhile use of Internal Auditing. Other questions to consider include how to release the review, and what ability will Internal Auditing have to report immediate confidential information to members only. The Inspector General's input may be necessary to answer these questions.

V. Considering Ms. Harry has just come aboard as Internal Auditor, there was no discussion of prior events.

VI. Current events:

a. Ms. Harry will take over the review of the Internal Audit Department Charter. The review will be based on the Yellow and Redbook standards and changes will be incorporated accordingly. Mr. Steen noted that Ms. Harry must comply with the County-wide process.

Questions and comments ensued. Sharon Cole asked who in specific—employees in authority--can the Internal Auditor talk to. Ms. Connally suggested a special meeting be held when Ms. Harry has hired her staff to discuss issue of this nature. It was suggested by Joe Nanni that Ms. Harry seek guidance from County Council to answer questions pertaining to chargebacks. Do we chargeback? And, what do we chargeback?

b. Ms. Harry will be incorporating her responsibilities into the Audit Committee Charter to present to the Committee.

c. Ms. Harry gave a brief update on the two ongoing projects. A meeting with the Inspector General will be held this week in an effort to move forward with one review.

Mr. Steen met with Shelley Davis, Board of Revision Administrator, who has concerns with the process of the Hearing Boards having no consistency in various areas, issues with purchasing, and scheduling. Ms. Harry sees this as consulting and not an opportunity for Internal Auditing. Mr. Nanni notes that the Rules of the Statutory Board of Revision set the parameters for Ms. Davis' concerns.

- VII. Mr. Steen said that the Audit Committee needs to be responsive to County Council by preparing some kind of report of events. Ms. Connally suggested the Committee wait until September or when the report of the Inspector General is out (every six months) to distribute any information.
- VIII. No public comment.
- IX. The Committee will receive notice of a regular meeting date to be considered in September and a special meeting date for an Executive Session.
- X. The meeting was adjourned at approximately 12:22 PM.



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Wade Steen, Chair



# Cuyahoga County Audit Committee

## MINUTES

### *Special Meeting*

*Wednesday, August 8, 2012*

Members Present: C. Ellen Connally  
Sharon Cole (representing the County Executive)  
Wade Steen, Chair  
Jerry Brown – (Excused w. email comments)  
Veronica Rice – (Excused w. email comments)

Guests: Valerie J. Harry  
Bonnie Inniss  
Joseph Nanni  
Mark A. Parks, Jr.

- I. A special meeting of the Audit Committee was called to order at 10:05 AM.

Wade Steen announced that a special meeting of the Audit Committee was called to discuss the Department of Internal Auditing's personnel matters. Mr. Steen notes that comments by email were received from Jerry Brown and Veronica Rice regarding the personnel matters. Mr. Steen made a motion to go into an Executive Session to discuss the details of these matters. The motion was seconded by Ellen Connally and unanimously approved.

A meeting of the Executive Session was called to order at 10:08 AM. A motion to adjourn the Executive Session and to continue the special meeting was made by Sharon Cole, seconded by Ms. Connally, and unanimously approved. The Executive Session was adjourned at 10:18 AM.

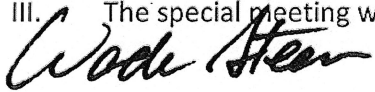
- II. Ms. Connally moved that an offer be extended to Teresa M. Reynolds for the position of Audit Manager of the Department of Internal Auditing. Ms. Cole seconded the motion, and it was unanimously approved.

Ms. Harry noted that in addition to the Audit Manager, two staff Auditors' positions will be filled by September 2012. The positions are classified and are currently to be considered for approval by the County Council and will be going through the hiring process. Ms. Connally argued that the positions should be unclassified and treated

the same as the Audit Manager's position and be approved by the Audit Committee. Ms. Harry notes that the Legal Department reviewed the hiring request. Ms. Harry will submit the legal opinion as developed by Ed Morales of the Legal Department to Ms. Connally for review. Ms. Connally states that she will also review the Charter for clarity.

Ms. Harry continued with the details of the steps taken during the hiring process of the Audit Manager's position.

III. The special meeting was adjourned at approximately 10:39 AM.



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Wade Steen, Chair