

June 29, 2015
Audit Oversight Committee Minutes
Durham County

I. Call to order

The meeting was called to order at 5:10 PM in the Durham County Manager's Conference Room; 200 East Main Street Durham, NC 27701

II. Members

Present: Shannon Harrison, Chair; Commissioner Howerton, Vice Chair; Arnold Gordon, Member; Michael Page, Member; Wendell Davis, County Manager; Manuel Rojas, Member

III. Business

A. Approval of Prior Meeting Minutes

Commissioner Howerton moved to approve the January 26, 2015 AOC meeting minutes. Mr. Shannon seconded the motion and the minutes were approved with three members voting. Mr. Rojas and Mr. Gordon did not vote because they were not attendees or committee members at the January Meeting.

B. Election of Officers

Officers for fiscal year 2016 were nominated and elected. Mr. Shannon nominated Mr. Rojas for chair and he was elected with unanimous vote. Mr. Rojas nominated Mr. Gordon as vice-chair and he was elected with a unanimous vote. Mr. Rojas nominated Commissioner Howerton as secretary. Commissioner Howerton was elected with a unanimous vote. After the vote, Mr. Rojas ran the meeting.

C. Discussion and approval of 2016 Annual Audit Plan

Mr. Harrison moved to approve the Annual Audit Plan and it was approved by unanimous choice. Discussions surrounding the plan were about the (1) IT audit (2) Asset Forfeiture Program audit, and (3) the match between staff and planned audits. Regarding IT, Mr. Rojas stated that he was interested in the subject of "back-up" for the County's IT systems. He wants audit efforts in IT to be cognizant of back-up capability.

There was minor discussion regarding the planned Asset Forfeiture audit. Mr. Edwards explained that the program had never been audited and the funds were restricted and there was not much oversight over their use. He explained the audit was going to focus on compliance with state and federal requirements.

The scope of the Annual Audit Plan in regards to the number of audits planned was discussed. That discussion was to clarify whether the audit plan considered staff that would be on board because of recruiting efforts. Mr. Edwards explained

that the plan only considered one staff, himself, and if the recruiting effort was successful, the plan would need to be revised to reflect additional staffing.

D. Completed Audit Discussion

The EMS audit was discussed in detail. Members of the Committee agreed with the report findings and recommendations and wanted to know if management would implement the recommendations. Mr. Davis, the County Manager, gave some history of how the audit began and summed up the discussion with his commitment to implement the recommendations. The recommendation was that before high cost or capital items are purchased, the purchasing or using department should develop a "needs analysis" for submittal to the County's purchasing unit for review. The recommendation further stipulated that the "needs analysis" become part of the procurement file.

E. Discussion regarding getting back on a regular meeting schedule

The Committee has had difficulty identifying an agreeable date for quarterly meetings due to conflicting schedules of members. The members, tasked with identifying a future date to hold its meeting, were not able to achieve this objective at this meeting however; it was decided that each member would review their schedules in search for a standard time to conduct its meetings. The members agreed on the dates for the next two meetings; September 21st and December 21st respectively. Meetings are to begin at 3:30.

F. Old and New Business

• **Review of Committee By-laws**

Mr. Rojas suggested a review of Committee By-Laws to consider the make-up of the Committee. This discussion came about because of the requirement to have two persons from the BOCC attend regular meeting and an alternative to attend in case of the absence of a regular member. There was also a mention of whether the BOCC chair could designate a member to act on behalf of the chair. The suggestion to review was brought up as an idea of consideration or exploration.

G. Next Meeting Date: September 21, 2015 at 3:30 PM

IV. Adjournment

There being no further business, the meeting was adjourned at approximately 5:00 PM.

Minutes Approved By: *For Committee*
Rubén [Signature]
9/22/15