

Draft Committee Minutes

Minutes of the Operational Audit Advisory Committee Meeting
April 12, 2007

Committee Members: Patricia Basti, David Crowley, Leslie Ghiz, David Raasch, Carol Sigman and Jim Tarbell

The Operational Audit Advisory Committee held its second meeting of 2007, at 9:30 a.m. in room 169, City Hall. Committee members Basti, Crowley, Ghiz and Raasch were present. Also in attendance was Allison Davidson from the Law Department, Brian Aquino representing the outside auditors, and Chuck Haas, Risk Manager for the City of Cincinnati. Patty Basti chaired the meeting. The Internal Audit Manager, Mark Ashworth, served as recording secretary.

Chairperson Basti called the meeting to order at 9:35 a.m. Once a quorum was present Mr. Crowley moved to accept the minutes and was seconded by Mr. Raasch. Ms. Davidson suggested the committee may want to consider changing the rules to reflect that only a majority of members need to be in attendance to vote and approve committee business instead of the current ruling that requires the entire committee.

Mr. Ashworth gave the committee an overview of the Risk Management Audit. Mr. Haas addressed the committee and provided specific details of the Division's efforts to address the concerns and recommendations contained in the audit report. Discussion ensued over how the individuals who were identified as ineligible and still received medical payments were to be pursued. Ms. Davidson stated that she would review the statute of limitations to see if the Risk Manager would have recourse to pursue individuals for reimbursement and to file any appropriate criminal charges against them. It was agreed that the City can pursue all individuals that did not self-report during the amnesty period that was offered during the audit fieldwork.

Mr. Ashworth discussed the ongoing Regional Computer Center (RCC) audit. He gave an overview of the four main issues that Internal Audit is reviewing. Mr. Ashworth could not be certain as to when the audit may be completed. Mr. Ashworth described the intergovernmental relationship RCC has with city and county entities and the complexities involved. Ms. Ghiz asked for a background and brief history of the RCC. A lengthy discussion ensued about potential risks and issues.

The Parking System audit was addressed. Mr. Ashworth stated that he had just completed the exit conference interview with the Parking Superintendent and expected his response within a few weeks. The audit was performed at the request of the City Manager after a theft occurred at one of the City's surface parking lots.

The Internal Audit business plan was shared with the committee as a “for your information” item. Mr. Ashworth discussed the genesis of the work product and informed the committee of IAD’s involvement in reviewing the program budget process and the performance measures that are being instituted. Mr. Ashworth stated that the City Manager is shifting the city budget to a program budget and with that will be the development of new program specific performance measures. IAD is participating in the development of these measures to the extent that IAD will have a role in auditing the performance measures. Mr. Ashworth indicated that IAD had performed a similar role several years ago and that role is being resurrected. He informed the committee that a portion of the 2007/2008 workplan will include performance measurement audits.

Ms. Basti asked for the status on the hiring process for the two internal auditor positions. Mr. Ashworth expressed his frustration over the process and the interaction to date with the Human Resources Department. He believed that the issues will be resolved and IAD would proceed with the hiring process without interruption. He also expressed the resistance he was experiencing in his attempts to promote an auditor to the senior internal auditor level. Mr. Ashworth hoped to have two names of candidates for the June committee meeting.

Mr. Ashworth quickly touched on other open projects due to time constraints. He was encouraged by the City Manager’s interest and approach to the IAD. Lastly, he indicated that a workplan would be ready for the committee at the next meeting.

Under New Business on the agenda, Ms. Basti asked the committee for input as to continue to meet every other month or would quarterly be sufficient. After discussion it was decided that quarterly meetings were sufficient. It was noted that the Chair has the ability to call a special meeting should the need arise. The committee will meet on its next regularly scheduled date, but would then shift to a quarterly cycle. It was decided that the August 9th meeting would be cancelled and the committee would reconvene on October 11, 2007.

The next meeting is scheduled for June 14, 2007 at 9:30 in room 169. With no further business before the committee, the meeting was adjourned at 11:00 a.m.