

CITY OF SURPRISE
Audit Committee Meeting
16000 North Civic Center Plaza
Surprise, AZ 85374

Wednesday, November 10, 2021 – 3:30 p.m.

CALL TO ORDER

Chair Connie Bowers called the **Audit Committee Meeting** to order at 3:33 p.m. at Surprise City Hall, Overflow Room, 16000 North Civic Center Plaza Surprise, Arizona 85374, on Wednesday, November 10, 2021.

ROLL CALL

Connie Bowers, Chair, Alan Meyer, Committee Member, Brenda Kiner, Committee Member, Councilmember Chris Judd, Seth Dyson HSCV Director, Andrea Davis, Director of Finance, Councilmember Ken Remley (Absent)

PLEDGE OF ALLEGIANCE

CURRENT EVENTS AND REPORTS

None.

STAFF REPORTS

None.

STAFF PRESENT

Carol Holley, Internal Auditor-Sr., Michael Frazier, City Manager, Donna Meuse, Human Resources Director, Connie Welsch, HR Manager, Jackie Moucheron, Staff Liaison Genevieve Martin Del Campo, Staff Liaison.

CALL TO THE PUBLIC

None.

REGULAR AGENDA ITEM

1. **Action item: Consideration and action pertaining to approval of August 16, 2021, Audit Committee meeting minutes:**
Councilmember Judd moved to approve the August 16, 2021, Audit Committee Meeting minutes, and Chair Bowers seconded the motion. Motion carried 4-0.
2. **Action item: Discussion and action pertaining to changes to the approved FY2021-2022 Annual Audit Plan.**

Committee Member Meyer asked are you recommending a virtual audit, onsite audit or not making a recommendation? Carol Holley answered she would prefer the virtual because it would save the city money and with COVID it would be the safer choice.

Councilmember Judd asked about this year's annual audit and if you don't have time to get to an item(s), do they roll over to next year's plan, and Carol Holley answered yes.

Committee Member Meyer moved to approve the changes to the approved FY2021-2022 Annual Audit Plan, and Committee Member Kiner seconded the motion. Motion carried 4-0.

3. Action item: Discussion and possible action pertaining to the Quarterly Audit Recommendations Status report.

Committee Member Meyer asked how are the audit tasks/projects selected, and Carol Holley answered that she usually provides a suggested recommendation to the committee and then the committee votes on those projects. The committee also has the option to make recommendations.

Committee Member Kiner asked if there is an ROI evaluation for each one of the changes that would be made, and Carol Holley answered yes.

Committee Member Kiner asked if there was community feedback on the projects selected to audit, and Carol Holley answered not as of date there hasn't been community feedback.

Councilmember Judd moved to approve the Quarterly Audit Recommendations Status report, and Committee Member Meyer seconded the motion. Motion carried 4-0.

4. Presentation & Discussion item: Presentation and Discussion of the Annual Internal Audit Activity Report for FY 2020-2021.

Committee Member Meyer asked if the suggestion was made that we do something to help the auditors minimize the work cases, and Carol Holley answered we do meet with the auditor, but that would be up to the external auditors. Committee Member Davis continued to explain the external auditing process within the Finance Department.

Committee Member Kiner asked if the public can come in and say we want you to focus on a certain item and shift and add projects to the audit plan. Carol Holley replied we are required to base our audit plan on risk factor.

Councilmember Judd asked if the 1st & 2nd agenda items were part of the plan for the year and Carol Holley replied yes. Councilmember Judd then asked so going through those items, if there was something we as a committee were concerned about this is where we can make that move and Carol Holley answered yes.

Committee Member Meyer asked if there was a standard audit program so that you don't have to reinvent the wheel with every new project and Carol Holley answered no and the reason why is because each department is uniquely different so we have to create and assess each time we go into a department.

OTHER BUSINESS AND FUTURE AGENDA ITEMS

Committee Member Kiner requested a copy of the audit risk assessments for current and recently completed projects.

The next Audit Committee Meeting will be held on February 16, 2022 at 3:30 p.m., and after that the Audit Committee Meeting will be held on March 31, 2022 at 3:30 p.m.

EXECUTIVE SESSION

None.

ADJOURNMENT

Councilmember Judd moved to adjourn. Committee Member Meyers seconded the motion. Motion carried 4-0. The meeting was adjourned at 4:09 p.m.

ATTEST:

Connie Bowers, Chair

Jackie Moucheron, Staff Liaison

CERTIFICATION:

I, Sherry Ann Aguilar, City Clerk for the City of Surprise, Maricopa County, Arizona, do hereby verify that these are the true and correct minutes of the Audit Committee Meeting of **Wednesday, November 10, 2021.**

Sherry Ann Aguilar, City Clerk, MMC