



# Arlington County Board

## Audit Committee

### *Meeting Minutes*

March 22, 2018

#### **I. Call to order**

Co-chair Vihstadt called to order the regular meeting of the Audit Committee at 4:32 PM on March 22, 2018 in Room 311 of the Arlington County Courthouse Plaza building.

#### **II. Roll call**

All Audit Committee members were present for the meeting:

- **John Vihstadt** – Co-chair
- **Erik Gutshall** – Co-chair
- **Mark Schwartz** – County Manager
- **Stephen Agostini** – Director, Department of Management and Finance (DMF)
- **Tenley Peterson** – Fiscal Affairs Advisory Committee representative
- **Hal Steinberg** – Public Member
- **Nancy Tate** – Public Member

Also in attendance were

- **Libby Garvey**, County Board member
- **Chris Horton**, County Auditor
- **Maria Meredith**, Deputy Director, DMF
- **Patricia Sullivan**, Washington Post reporter

Co-chair Vihstadt introduced County Board member Erik Gutshall as the new Audit Committee co-chair. All meeting attendees introduced themselves.

#### **III. Approval of minutes from last meeting**

Co-Chair Vihstadt presented the draft minutes from the November 30, 2017 Audit Committee meeting. The minutes were approved unanimously. The minutes will be revised to reflect that Ms. Peterson is the Fiscal Affairs Advisory Committee representative.



#### IV. Business

1) *County Auditor report:*

- a) Audit Status Report: Chris Horton provided a project status report for all audits on the FY 2018 Annual Audit Work Plan. The Emergency Communications Center-Overtime audit is complete (discussed later). The Fleet Management audit is in the fieldwork phase. Horton explained that the Emergency Communications Center-Overtime audit had been moved ahead of the Fleet Management audit to ensure that at least one audit was completed prior to the Audit Committee meeting. Horton briefly noted that the Fire and Police Department overtime audits will be kicked off once an audit contractor has been identified. The audit of Sheriff's Department overtime will be kicked off when the Fleet Management audit report draft is complete and submitted to management for review.

The Audit Committee discussed the status report. A suggestion was made to add the initial audit objectives to each audit listed on the status report, as a reminder of what the focus on the audits would be. There was a broader discussion of the Fleet Management's audit current scope. Horton noted the key areas within the scope and that the director of the Department of Environmental Services had been notified of the scope and fieldwork audit objectives. Agostini asked Horton to share the fieldwork audit scope and objectives with him, since DMF plays a role in one of the areas in the audit scope. Regarding the Fire Department Overtime audit, Peterson and Schwartz noted the importance of accounting for any changes to the staffing schedule.

- b) Contracting: Horton informed the Audit Committee that the process for finding a contractor to perform the Fire and Police Department overtime audits was still ongoing, and was in the negotiation phase.
- c) Recognition: Horton reported that he had been named as the Secretary-elect for the Association of Local Government Auditors Board of Directors, and had been named as a local government auditing representative to the Comptroller General's Domestic Working Group.

- 2) *Emergency Communications Center Overtime Report:* There was a broad discussion of the Emergency Communications Center Overtime audit report. Horton reviewed the structure of the report, noting that the Report Highlights page includes the reason why the audit was conducted. The Committee also discussed the findings of the audit, and the responses. Schwartz noted that he worked with the management of Public



Safety Communications and Emergency Management to finalize the management response. Horton stated that the response to the recommendations included reasonable timeframes for implementation.

- 3) *DRAFT FY 2019 Annual Audit Work Plan:* The discussion of the draft FY 2019 Annual Audit Work Plan was limited by the time remaining in the meeting (approximately half an hour at the beginning of the discussion). The Committee discussed the proposed procurement audit, including how the proposed audit of procurement came to be included on the Plan. Agostini suggested that the scope of the proposed procurement audit be refined further. Specifically, Agostini suggested that the scope would benefit from the development of a process map for procurement, after which the County Auditor would come back to the Audit Committee to show what piece of the process map would be the scope of the audit. Gutshall asked Horton how much work is done to develop more specific information and risk areas prior to submitting the draft Plan. Tate asked Horton if additional information could be provided to clarify why the proposed audits were deemed more important than those on the Audit Horizon but not on the proposed plan. Horton will work on developing information to address each of these three areas for the next Audit Committee meeting.
- 4) *Next meeting date:* The Audit Committee determined that another meeting to complete discussion of the draft Annual Audit Work Plan was merited prior to the County Board's adoption of the Plan. Co-chair Vihstadt noted that the meeting could be combined with efforts to conduct a joint meeting with the Arlington Public Schools Audit Committee. Horton will work to arrange this meeting. Agostini noted that if the joint meeting with the APS Audit Committee would allow for information sharing regarding an APS audit of construction cost benchmarking, it would be helpful to have that meeting prior to the completion of the proposed Capital Improvement Plan.

## **V. Adjournment**

Co-chair Vihstadt adjourned the meeting at 6:33 PM.

Minutes submitted by: Chris Horton, County Auditor