



Minutes City of Tempe Audit Committee February 16, 2022

Minutes of the Tempe Audit Committee meeting held virtually on Wednesday, February 16th, 2022 at 3:00 p.m. via Microsoft Teams.

(MEMBERS) Present:

Andrew Ching, Chair

Councilmember Doreen Garlid

Councilmember Jennifer Adams

Greg Hill

Keely Hitt

Onnie Shekerjian

Tom Duensing

(MEMBERS) Absent:

None

City Staff Present:

Bill Greene, City Auditor – Staff Liaison

Keith Smith, Senior Internal Auditor

Angela Hill, Internal Auditor

Keely Varvel-Hartsell, Mayor/Council Chief of Staff

Sherry McGlade, Controller

Guests Present:

Brittney Williams, HeinfeldMeech

Chair Ching called the meeting to order at 3:03 p.m.

Agenda Item 1 – Public Appearances

Mr. Greene stated that no members of the public were in attendance and no written comments were received via email.

Agenda Item 2 – Approval of Meeting Minutes

Chair Andrew Ching called on committee members to review the minutes from the December 9, 2021 committee meeting. There were no revisions proposed.

Motion to Approve Minutes: Councilmember Garlid

Motion Seconded: Keely Hitt

Vote: Unanimous vote to Approve

Agenda Item 3 – External Audit Reports

Tom Duensing introduced Brittney Williams, Partner, HeinfeldMeech who presented information about the City's FY20-21 external audits. Mr. Duensing commented that Article 5 of the City Charter requires a CPA to perform the financial statement audit and Arizona State Statutes require that the CPA present the findings to the full City Council. Ms. Williams is previewing the results for the Audit Committee prior to presenting to the City Council at the March 3, 2022 Council meeting.

There was nothing unusual to report for the Independent Auditor's report on the financial statements. There were no findings on the federal program audits.

Topics covered in the presentation included:

Audit Staff

Audit Standards

Independent Auditor's Report

Audit Timeline

2021 Compliance Supplement

List of High-Risk Programs

Major Program Determination

Federal Audit Reports Issued/Pending

Resources for Elected Officials

Agenda Item 4 – Internal Audit Office Update

City Auditor Greene presented three updates to the committee.

1. IT Risk Assessment/Audit Plan – The RFP was issued in November 2021 and 17 proposals were received in January 2022. The evaluation team will discuss preliminary scores the week of February 21st with work anticipated to begin in March 2022.

2. Audit Follow-up Process – In January 2022, the IAO asked departments for the status of outstanding audit recommendations. Responses are due in February and results will be reported to the committee at the next meeting.

3. Staffing – One part-time employee has been out which has impacted the IAO’s capacity to complete projects. The staff member will be returning to work soon.

Agenda Item 5 –Future Agenda Items

Chair Andrew Ching called for future agenda items for the next meeting. None were suggested.

Agenda Item - 6 Adjournment

Chair Andrew Ching adjourned the meeting at 3:39 PM.