



Minutes

City of Tempe Audit Committee

June 16, 2022

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

(MEMBERS) Present:

Andrew Ching, Chair

Councilmember Doreen Garlid

Greg Hill

Keely Hitt

Onnie Shekerjian

Tom Duensing

(MEMBERS) Absent:

Councilmember Jennifer Adams

City Staff Present:

Bill Greene, City Auditor – Staff Liaison

Keith Smith, Senior Internal Auditor

Angela Hill, Internal Auditor

Diana Storino, Senior Internal Auditor

Guests Present:

Brittney Williams, HeinfeldMeech

Chair Ching called the meeting to order at 3:00 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 February 16, 2022 committee meeting. There were no revisions proposed.

Motion to Approve Minutes: Greg Hill

Motion Seconded: Keely Hitt

Vote: Unanimous vote to Approve

Agenda Item 3 – External Auditor Update

Tom Duensing introduced Brittney Williams, Partner, HeinfeldMeech who presented information on auditing standards and provided an overview of areas for testing, fieldwork scheduled visits, and report deadlines for the FY21-22 Single Audit. Ms. Williams additionally identified audit partners for this upcoming year.

Greg Hill asked if additional hours are needed for the increased scope of work. Ms. Williams responded employees are efficient and HeinfeldMeech has a fixed contracted price and nothing will be outside of the contracted price.

Keely Hitt asked when does current contract end. Tom Duensing responded this is the last year of the contract and there will be a new procurement process next calendar year. Ms. Williams commented she has been an audit partner for 5 years and there is always an option to switch partners.

Keely Hitt asked is it reasonable to expect the price to increase. Ms. Williams stated there are standard inflation rates and overall it depends on client preparedness and there will probably not be a significant increase.

Agenda Item 4 – FY 2022/23 Audit Plan

City Auditor Greene presented a review of the proposed FY2022/23 audit plan.

Greg Hill asked for an explanation of the PRE from Tempe PRE. Chair Ching responded Tempe PRE is an enriched preschool program approved by Council and runs at approximately 11 schools and has been active for about 4 years.

Onnie Shekerjian asked if the program for ages 3, 4, and 5. Councilmember Garlid confirmed Tempe PRE is a full day program for children ages 3 and 4.

Councilmember Garlid commented she was surprised there were no previous payroll audits. City Auditor Greene commented he was also surprised.

Keely Hitt asked what projects were eliminated due to the two department requested items. City Auditor Greene responded that projects were moved forward to next year and explained that projects that do not make the audit plan are recycled into a pool of potential projects for evaluation for the audit plan next year.

Greg Hill asked City Auditor Greene to start tracking last time areas have been audited given the delay in auditing payroll. City Auditor Greene responded last time audited is part of risk assessment, but that information can be added to the audit plan.

Onnie Shekerjian asked for explanation of CMS service. City Auditor Greene responded Internal Audit Office performs administrative tasks, training, and user set up for contract management system.

Motion to Approve Audit Plan: Councilmember Garlid

Motion Seconded: Onnie Shekerjian

Vote: Unanimous vote to Approve

Agenda Item 5 – Annual Audit Follow-up

City Auditor Greene presented results of the annual audit follow-up on open audit recommendations.

Onnie Shekerjian stated she was glad to see follow up and potential use of technology to track recommendations in the future and asked why more specifics at the department level were not included in results. City Auditor Green responded he was given direction to present results at a very high level but is willing to provide more information.

Chair Ching responded perhaps additional information could be provided to Onnie Shekerjian.

Greg Hill mentioned it is a judgment call on how much information is needed.

Keely Hitt noted that 100% of the efficiency recommendations were implemented and 60% of control recommendations were completed.

Chair Ching stated consensus was committee would like additional information by department and recommendation.

Agenda Item 6- IT Audit Planning Project

City Auditor Greene presented status update on the IT Audit Planning Project noting fieldwork completion, draft report status, and informed results will be presented formally at the next audit committee meeting.

Agenda Item 7– Future Agenda Items

Chair Andrew Ching called for future agenda items for the next meeting.

City Auditor Greene suggested discussion of in person or virtual meeting. Chair Ching responded he is open to suggestions. Councilmember Garlid indicated she would like to have meetings in person. Keely Hitt responded she would like to meet in person. Greg Hill also indicated he favored in person meeting. Chair Ching stated next meeting will be in person with virtual option.

Chair Ching thanked IAO staff for hard work and thanked Onnie Shekerjian for serving on committee and continued service to City of Tempe.

Agenda Item 8 - Adjournment

Chair Andrew Ching adjourned the meeting at 3:54 pm