



City of Atlanta

CITY AUDITOR'S OFFICE

AUDIT COMMITTEE MEETING

MINUTES

Thursday, December 15, 2022

9:00 A.M.

Atlanta City Hall
Old Council Chambers

CALL TO ORDER

The regularly scheduled meeting of the **Audit Committee** was called to order on **Thursday, December 15, 2022**, at 9:05 a.m. by Ms. Danielle Hampton, Chair. The following members were present:

INTRODUCTION OF MEMBERS:

Attendees	Status
Danielle Hampton, Chair	Present
Daniel Ebersole, Vice Chair	Present
Don Penovi	Present
Dargan Burns, III	Present
Amanda Beck	Present

Others in Attendance:

Auditor's Office: Amanda Noble, City Auditor, Micheal Jones, Rebecca Robinson, Duane Braithwaite, Myra Hagley
Finance: Yolanda Carr, Deputy Chief Financial Officer
Aviation: Geneva Turner, Airport Finance Director
Mauldin & Jenkins: Doug Moses, Partner, James Bence, Partner, Hope Pendergrass, Partner, Alison Wester, Josh Carroll

Roll Call

Adopt Agenda

Mr. Penovi moved to accept the agenda and the motion passed unanimously.

Approve Minutes from October 6th Meeting

Mr. Ebersole moved to approve the minutes of the last meeting and the motion passed unanimously.

Financial Audit Update

Ms. Noble updated the Committee on the financial audit. Mr. Moses stated that his team plans to meet December 31st deadline. Mr. Moses stated that they will present at the next Audit Committee meeting on February 2, 2023. They will begin the Single audit in January 2023 and complete by March 31st. He said that there will be some year-end closeout discussions with management. Ms. Carr said the new consultants have found some things are consistent with pension and will be meeting about the issues. Mr. Penovi said that he would like to keep Pension as a standing issue for the Committee. Ms. Carr agreed that it should be kept it on the radar. Mr. Penovi asked when this will conclude. Ms. Carr stated she could not confirm when it will conclude. She said that the pension board will meet next week. Ms. Carr said that Deloitte is scheduled to complete their work in January or February, when they finish their contract. Ms. Hampton said that she would like to attend the pension board meeting. She asked what if Mauldin & Jenkins have a contingency plan if they don't finish by December 31st. Mr. Moses said that the city would need to file an extension. Ms. Carr said that the city has never filed an extension and plans to meet the deadline. Ms. Hampton asked if they found significant issues on the IT side, such as turning off access. Mr. Moses said that they did the walk through procedures and there may be some management comments, but nothing major. Ms. Hampton asked for any comments for Aviation audit. Ms. Turner said that she has no concerns for aviation audit. Ms. Carr said that they do a "lessons learned" and discuss what could they improve for next time.

Status of Current Projects

Ms. Noble presented the status of current projects to the Committee. Ms. Noble gave the following updates: In Rem Process could not be completed for this meeting because the exit conference is scheduled for December 19th, Ms. Hampton recused herself from the discussion because her spouse works for the police department, which manages code enforcement; OCC, the team drafted a memo stating that they were unable to complete the audit review of FY18 to FY21 data due to data migration issues. Mr. Penovi asked when will OCC be ready if they conducted a new audit with the new data. Ms. Noble said that the new system was supposed to take care of the old recommendations. Ms. Hampton and Ms. Noble discussed documenting the memo and data issues in MissionMark. Mr. Ebersole made a motion to approve the memo. Mr. Burns seconded the motion. Ms. Hampton asked for an adjustment to take the motion off the table and suggested adjusting the memo to change the scope. Mr. Braithwaite said that the data should be correct beginning in July 2021 when the new system was implemented. Ms. Hampton and Ms. Noble discussed changing the scope to conduct the audit in the future, from in July 2021 to December 2023. Ms. Beck motioned to approve the adjusted memo. Mr. Penovi seconded the motion. Municipal Market, the draft report is being reviewed; Solid Waste Services, working on writing the draft; Plane Train, the team plans to have a draft; Grants Management will complete fieldwork verification at the first of the year; Business Licenses has conducted limited testing due to system issues; Aviation APD Facilities audit just held a kickoff meeting; Oracle Time and Labor, the team is still monitoring the process; Continuous audit, the focus is on cleaning up access controls; Ms. Noble said that they are researching annual risk assessment methods to develop a citywide risk library, will bring this to the next meeting; Ms. Noble said that there were council requests for audits on emergency landscaping contracts and municipal court operations. She said that we could shift the ATL311 audit to allow for one of these requests. Ms. Hampton asked if there has been an audit of the RICO fund usage. Ms. Noble will find out.

Audit Follow-up

Ms. Noble updated the Committee on the status of open recommendations. In the 2nd quarter, there were 54 updates to the recommendations, seven recommendations implemented, and 30 new recommendations were started. Ms. Hampton asked how many recommendations were "past due"

Ms. Noble said that they will have this information for the next audit committee meeting. Ms. Hampton suggested identifying recommendations as high/medium/low risk for discussion next year.

Staffing Update

Ms. Noble said that back in October the office was fully staffed. There is an opening for an Auditor I position, and there is a new employee for Ms. Ragan's position starting in January 5, 2023. Ms. Jackson will return to the office the second week of January 2023.

City Auditor FY22 Performance Review

Ms. Hampton stated that this should be completed for the February meeting.

Other Business

Ms. Beck informed the Committee that this is her last meeting and that she will be happy to serve again in the future. She teaches data analytics, trying to find real world messy data for her students. Ms. Noble offered to provide city data for student examples. Ms. Hampton asked if Finance Committee will provide a new committee member. Ms. Noble said that the City Council and Council President's office is vetting committee members. The next Audit Committee meeting will be held on February 2, 2023.

Public Comment

There were no comments from the public.

Adjournment

There being no further business, Ms. Beck moved to adjourn the meeting at 10:30 a.m., Mr. Ebersole seconded the motion, and the Committee voted unanimously in favor of the motion.