

CARSON CITY AUDIT COMMITTEE (AC)

Minutes of the June 16, 2023 Meeting

Page 1

A regular meeting of the Carson City Audit Committee was scheduled for 1:30 p.m. on Friday, June 16, 2023 in the Community Center Robert "Bob" Crowell Board Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Lisa Schuette
Vice Chair David Lambin
Member Bonnie Duke
Member Laura Chavez
Member Joseph Scalia

STAFF: Sheri Russell-Benabou, Chief Financial Officer
Darren Schulz, Public Works Director
Mihaela Neagos, Deputy District Attorney
Danielle Howard, Public Meetings Clerk

NOTE: A recording of these proceedings, the committee's agenda materials, and any written comments or documentation provided to the Clerk, during the meeting, are part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

1. CALL TO ORDER

(1:34:30) – Vice Chairperson Schuette called the meeting to order at 1:34 p.m.

2. ROLL CALL

(1:34:40) – Roll was called, and a quorum was present.

3. PUBLIC COMMENT AND DISCUSSION:

(1:34:58) – Vice Chairperson Schuette entertained public comments; however, none were forthcoming.

4. FOR POSSIBLE ACTION: APPROVAL OF MINUTES

4.A APRIL 25, 2023

(1:35:06) – Vice Chairperson Schuette introduced the item and entertained a motion.

(1:35:55) – MOTION: Member Duke moved to approve the April 25, 2023 meeting minutes as presented. Member Lambin seconded the motion. The motion carried 5-0-0.

5. MEETING ITEMS

5.A FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING THE ELECTION OF A CHAIRPERSON AND VICE-CHAIRPERSON FOR THE AUDIT COMMITTEE.

(1:37:12) – Vice Chairperson Schuette introduced the item and entertained nominations.

CARSON CITY AUDIT COMMITTEE (AC)

Minutes of the June 16, 2023 Meeting

Page 2

(1:37:29) – Member Duke moved to nominate Lisa Schuette to the position of AC Chair. Vice Chairperson Schuette accepted the nomination and entertained nominations for AC Vice Chair. Member Lambin was willing to serve as AC Vice Chair.

(1:39:013) – MOTION: Vice Chairperson Schuette moved to appoint Lisa Schuette to the position of AC Chair for a one-year term expiring December 31, 2023 and appoint David Lambin to the position of AC Vice Chair for a one-year term expiring December 31, 2023. Member Scalia seconded the motion. The motion carried 5-0-0.

5.B FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING THE MONITORING, REVIEW AND CLOSURE OF INTERNAL AUDIT FINDINGS AND/OR RECOMMENDATIONS INCLUDED IN THE AUDIT FINDINGS TRACKING REPORT AND PROVIDING A RECOMMENDATION TO THE BOARD OF SUPERVISORS TO CLOSE COMPLETED FINDINGS AND/OR RECOMMENDATIONS.

(1:39:39) – Chairperson Schuette introduced the item. Ms. Russell-Benabou referenced the Staff Report and the accompanying attachments, all of which are incorporated into the record. She also responded to clarifying questions. Because there were no items that Staff recommended for closure or Member suggestions for item closure, no formal action was taken on this item.

5.C FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING THE INTERNAL AUDIT WORK PROGRAM FOR FISCAL YEAR (“FY”) 2024.

(1:51:54) – Chairperson Schuette introduced the item. Eide Bailly Senior Manager Audrey Donovan introduced Eide Bailly Partners Eric Berman and Roger Alfaro. Ms. Russell-Benabou and Ms. Donovan referenced the Staff Report and the Citywide Risk Assessment and Annual Audit Plan for fiscal year (FY) 2023/2024, both of which are incorporated into the record. When no questions were forthcoming, Chairperson Schuette entertained a motion.

(1:57:00) – MOTION: Member Duke moved to recommend to the Board of Supervisors the FY 2024 Internal Audit Work Program as presented. Vice Chairperson Lambin seconded the motion. The motion carried 5-0-0.

5.D FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING THE CARSON CITY CLERK-RECORDER'S OFFICE INFORMATION TECHNOLOGY SECURITY ASSESSMENT AUDIT PROGRAM AGREED UPON PROCEDURES SUGGESTED BY THE CARSON CITY INTERNAL AUDITOR EIDE BAILLY, LLP FOR THE FISCAL YEAR ("FY") 2024 AUDIT WORK PROGRAM.

(1:57:23) – Chairperson Schuette introduced the item. Ms. Russell-Benabou and Ms. Donovan referenced the Staff Report and the Carson City Clerk-Recorder's Office Information Technology Security Assessment Audit Program, both of which are incorporated into the record.

CARSON CITY AUDIT COMMITTEE (AC)

Minutes of the June 16, 2023 Meeting

Page 3

(2:02:21) – MOTION: Member Duke moved to direct Eide Bailly and Staff to proceed with the Carson City Clerk-Recorder's Office Information Technology Security Assessment Audit Program, including agreed upon procedures as discussed on the record. Member Scalia seconded the motion. The motion carried 5-0-0.

5.E FOR DISCUSSION ONLY: DISCUSSION REGARDING FISCAL YEAR (“FY”) 2023 AUDIT WORK PROGRAM UPDATE AND HOTLINE ACTIVITY.

(2:02:50) – Chairperson Schuette introduced the item. Ms. Donovan reported on the following updates:

- The FY 2022/2023 Audit Work Program was 90 percent complete.
- The last internal audit engagement was Grants Management, the draft report for which was provided to internal City management in order to obtain City management's responses to the recommendations. Eide Bailly was planning to organize a meeting to review the draft report and City management's response.
- The entire audit process was completed.
- There has not been any activity on the Fraud, Waste, and Abuse Hotline since the previous AC meeting.

Ms. Donovan also responded to clarifying questions.

5.F FOR DISCUSSION ONLY: DISCUSSION REGARDING DATES FOR THE NEXT MEETING OF THE AUDIT COMMITTEE.

(2:05:21) – Chairperson Schuette introduced the item. Based on the dates suggested by Ms. Russell-Benabou, the Members agreed to tentatively schedule the next meeting for September 19, 2023 at 1:30 p.m.

6. PUBLIC COMMENT

(2:06:42) – Chairperson Schuette entertained public comments; however, none were forthcoming.

7. FOR POSSIBLE ACTION: TO ADJOURN

(2:06:57) – Chairperson Schuette adjourned the meeting at 2:06 p.m.

The Minutes of the June 16, 2023 Carson City Audit Committee meeting are so approved this day 19th of September 2023.