

**AUDIT COMMITTEE QUARTERLY MEETING MINUTES**  
**ST. AVOLD ROOM, 3<sup>rd</sup> FLOOR**  
**CITY HALL, 433 HAY STREET, FAYETTEVILLE**  
**THURSDAY, JANUARY 23<sup>rd</sup>, 2020**  
**3:00 P.M.**

**Committee Members Present:** Council Member Johnny Dawkins (Acting Chairman)  
Council Member Larry Wright  
Council Member Yvonne Kinston  
Ms. Evelyn Shaw, PWC Commissioner  
Ms. Amy Samperton, FTCC Director of Procurement & Equipment  
Dr. Pamela Jackson, FSU Provost

**Others Present:**

**Staff Present:** Ms. Karen McDonald, City Attorney  
Mr. Doug Hewett, City Manager  
Dr. Telly Whitfield, Assistant City Manager  
Ms. Elizabeth Somerindyke, Internal Audit Director  
Ms. Rose Rasmussen, Senior Internal Audit  
Ms. Amanda Rich, Internal Auditor  
Mr. Jay Toland, Interim Chief Financial Officer  
Mr. Gerald Newton, Development Services Director  
Ms. Sheila Thomas-Ambat, Director of Public Services  
Ms. Kristin Roberts, Senior Administrative Assistant

**1.0 Call to Order**

Council Member Dawkins called the meeting to order at 3:00 p.m. and welcomed new committee member Council Member Yvonne Kinston, who will certainly be an asset to the group as she has auditing experience herself.

**2.0 Approval of Agenda**

**MOTION:** Council Member Wright  
**SECOND:** Ms. Evelyn Shaw  
**VOTE:** UNANIMOUS (6-0)

**3.0 Approval of Meeting Minutes**  
**November 25<sup>th</sup>, 2019**

**MOTION:** Ms. Samperton  
**SECOND:** Council Member Wright  
**VOTE:** UNANIMOUS (6-0)

**4.0 Internal Audit Activities (Presented by Elizabeth Somerindyke, Internal Audit Director)**

**a. Police Department Confidential Funds Audit (A2020-03)**

The purpose of this audit was to evaluate compliance with the organization's policies and

procedures; applicable laws, regulations and guidelines, and evaluate internal controls for the Police Department's confidential funds. Objectives of this audit included determining if confidential funds were sufficiently administered in accordance with established laws, regulations, guidelines, policies and procedures; and if proper internal controls existed and were working as intended to safeguard confidential funds from loss, theft, or fraud. The audit period covered fund activity from January 1, 2019 to October 31, 2019 for the Fayetteville Police Department's VICE Investigative Division. Methodology of this audit included comparing applicable written policies, procedures, laws, regulations and guidelines against actual practices of the Police Department, interviewing Police Department personnel involved in administration, maintenance, and use of confidential funds, and reviewing the accounting records and documents pertaining to confidential funds to include Power DMS. Contraband seized during operations were also traced to the Property and Evidence Room. Based on the audit work performed, the Office of Internal Audit concluded the Police Department's Special Investigation Division was generally in compliance with the organization's policies and procedures, applicable laws, regulations, and guidelines; and adequate internal controls existed.

**MOTION TO ACCEPT: Council Member Wright**  
**SECOND: Dr. Pamela Jackson**  
**VOTE: UNANIMOUS (6-0)**

#### **b. Status of Current Internal Audit Projects**

Ms. Somerindyke updated the committee on the status of current projects within the Office of Internal Audit. Ms. Somerindyke noted that the Police Payroll Audit is finalized, and will be ready for review in April of 2020. The Office of Internal Audit is also finalizing the WEX Fuel Card audit, and is following-up with the Fire Department and Finance. This audit will also be ready for review in April of 2020. The Office of Internal Audit is also currently working on a City-wide Accounts Payable Timeliness Audit, and are looking into possible late-payment penalties or early payment discounts. Finally, a Conflict of Interest Questionnaire will be going out to the City Council, the Senior Management Team, and a sample of City employees early this year.

#### **5.0 Quarterly Management Implementation Status Report**

The purpose of this report is to provide members of the Audit Committee with an update on the progress of management's implementation of recommendations made by the Office of Internal Audit. This report was provided to committee members for informational purposes but was not presented.

#### **6.0 Other Business**

##### **a. Board Changes**

Ms. Somerindyke announced that this would be Dr. Pamela Jackson's last meeting as a member of the Audit Committee. She thanked Dr. Jackson for her years of work with the group and reminded everyone that the deadline to apply for the two citizen positions on the Audit Committee is January 31<sup>st</sup>. The next Audit Committee meeting will be held in April 2020.

#### **7.0 Adjournment**

There being no further business, the meeting adjourned at 3:25 p.m.

Respectfully submitted,

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KRISTIN ROBERTS  
Sr. Administrative Assistant  
10242019

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COUNCIL MEMBER JOHNNY DAWKINS  
Acting Chairman