

**FAYETTEVILLE AUDIT COMMITTEE MEETING MINUTES**  
**LAFAYETTE CONFERENCE ROOM**  
**CITY HALL, 433 HAY STREET**  
**THURSDAY, OCTOBER 26, 2023**  
**3:00 P.M.**

**Committee Members Present:** Ron O'Brien, Chair  
Dr. Mfon Akpan, Vice Chair  
Johnny Dawkins, Mayor Pro Tem  
Derrick Thompson, Council Member

**Committee Members Absent:** D.J. Haire, Council Member

**Staff Present:** Lachelle Pulliam, Interim City Attorney  
Jeffery Yates, Assistant City Manager  
Jodi Picarella, Chief Financial Officer  
Rose Rasmussen, Internal Audit Director  
Kimberly Toon, Assistant Chief Financial Officer  
Ronnie Willett, Fire Deputy Chief  
Daniel Edwards, Public Services Assistant Director  
Christina Zimmerman, Senior Internal Auditor  
Kathleen Johnson, Internal Auditor  
Paula Handberry, Executive Assistant to the City Council

**1. CALL TO ORDER**

Mr. Ron O'Brien called the meeting to order at 3:02 p.m.

**2. APPROVAL OF THE AGENDA**

**MOTION:** Council Member Thompson moved to approve the agenda.

**SECOND:** Mayor Pro Tem Dawkins

**VOTE:** UNANIMOUS (4-0)

**3. APPROVAL OF MEETING MINUTES**

**August 31, 2023**

**MOTION:** Council Member Thompson moved to approve the August 31, 2023 meeting minutes.

**SECOND: Mayor Pro Tem Dawkins**

**VOTE: UNANIMOUS (4-0)**

#### **4. DISCUSSION OF COMMITTEE OFFICER APPOINTMENTS**

The Audit Committee Bylaws require that the officers be elected annually. Currently, the Chair is Mr. Ron O'Brien and Vice Chair is Dr. Mfon Akpan.

### **Officer Appointments**

#### **Article III**

#### **OFFICERS**

**Section 1. Enumeration of Offices.** The Officers of the Committee shall be a Chairperson and Vice-Chairperson.

**Section 2. Election of Officers and Term of Office.** The officers shall each be elected at the regularly scheduled meeting held in August, take office immediately upon election, and serve a one-year term or until a successor is elected at the subsequent years quarterly meeting held in August.

Ms. Rose Rasmussen, Internal Audit Director stated August isn't a good month due to Mayor and City Council Elections. January or April seems to be a more appropriate time. Mayor Pro Tem Dawkins suggested waiting until after the election to see who the Mayor appoints to the board.

Council Member Thompson asked why are committee elections held every year instead of every two-years. Ms. Rasmussen responded she was unsure.

**MOTION: Council Member Thompson moved to amend the bylaws to change the election of**

**Officers to every two-years in January.**

**SECOND: Mayor Pro Tem Dawkins**

**VOTE: UNANIMOUS (4-0)**

#### **5. MANAGEMENT REPORTS**

A. Quarterly Management Implementation Status Report

Of the 10 completed audits on the Corrective Action Plan (CAP), seven are ready for a follow up by Internal Audit. Management has expressed that all recommendations have been fully implemented.

Currently, three of the completed audits have outstanding recommendations.

Residential Solid Waste Fees currently has two recommendations. A request for proposal will be completed for a new Fleet Onboarding Management System. Once the software is in place, the address data and applicable policies will be updated to reflect the new process.

Vector Fleet Contract currently has one recommendation not implemented. The recommendation is to establish a fleet committee to hold regular meetings. Currently, fleet meetings are regularly held with individual departments, but not as an official committee. The Fleet Manager position is vacant. Discussion ensued.

Fires Kronos Implementation has currently two recommendations. The recommendation is to update policies in relation to timekeeping and payroll. The Fire Department is waiting on the integration of scheduling software into the City's time keeping software. Once the integration is complete policies will be updated. Discussion ensued.

This report is for informational purposes and no action needed.

## **6. INTERNAL AUDIT ACTIVITIES**

### **A. Procurement Card Follow-up Audit**

Ms. Rasmussen stated the original audit was presented in January 2023 with one agreed upon recommendation. As of August 31, 2023, the one outstanding recommendation was fully implemented. The scope of this audit was limited to determine if management implemented the recommendations in the original audit. This included the review of the updated procurement policy and associated training materials.

**MOTION: Mayor Pro Tem Dawkins moved to accept the Procurement Card Follow-up Audit**

**SECOND: Dr. Mfon Akpan**

**VOTE: UNANIMOUS (4-0)**

### **B. Current Projects**

Ms. Rasmussen stated once the annual audit is completed a special meeting will be called to present the FY2023 Financial Audit. The Subrecipient Grant Monitoring, Kronos Implementation, and Police Payroll Follow up projects are near completion.

Internal Audit and the Transit Department are preparing for the Transit Cash Handling Consulting Service. Discussion ensued.

HUB Human Capital Management (HCM) Oracle Access Controls and HUB HCM Payroll Implementation is an on-going project. Discussion ensued.

## **7. ADJOURNMENT**

There being no further business the meeting adjourned at 3:38 p.m.