

The Audit Board of the City of Orlando met on Thursday, November 30, 2017 in the Agenda Conference Room, on the second floor of Orlando City Hall.

BOARD MEMBERS:

Judy Wall, Chair	Present	[1/0]
Stephen K. Clapp, Vice-Chair	Present	[1/0]
May Wong	Present	[1/0]
Jose Delgado	Present	[1/0]
Jim Adamczyk	Present	[1/0]

OTHERS PRESENT:

George McGowan, Director of Audit Services and Management Support
Dina Dorestan, Litigation Paralegal/Recording Secretary
Daniel O’Keefe, Partner, Moore Stephens Lovelace
Joel Knopp, Engagement Manager, Moore Stephens Lovelace
Brian Battles, Deputy Chief Financial Officer
Michelle McCrimmon, Deputy Chief Financial Officer
William Spinelli, Controller
Perez Goree, Audit Program Manager

1. CALL TO ORDER

Ms. Wall determined that enough members were present for a quorum and called the meeting to order at 1:01PM.

2. APPROVAL OF THE MINUTES

Ms. Wall asked if there were any comments regarding the minutes from the previous meeting. None were made. **A MOTION WAS MADE BY MS. WALL TO APPROVE THE MINUTES OF THE AUGUST 30, 2017 MEETING AS WRITTEN. THE MOTION WAS APPROVED UNANIMOUSLY.**

3. PUBLIC COMMENT

None.

4. EXTERNAL AUDITOR PLANNING COMMUNICATIONS- DANIEL O’KEEFE and JOEL KNOPP, MOORE STEPHENS LOVELACE

Mr. O’Keefe advised the board that there are no outstanding items from the last meeting and that there are no issues to bring to the board.

5. BUDGET UPDATE-BRIAN BATTLES, DEPUTY CHIEF FINANCIAL OFFICER

Mr. Battles reported on the final adjustments to the fiscal year 2016-17 budget. He informed the board that the 2017-2018 budget has been approved, and that some additional staff were added to the City in Police, Fire and Recreation. He added that the City departments ended the FY 2016-17 year very well; the City was able to pay off some outstanding debt ahead of schedule. Discussion ensued.

6. BENFORD ANALYSIS UPDATE- GEORGE McGOWAN DIRECTOR OF AUDIT SERVICES AND MANAGEMENT SUPPORT

Mr. McGowan presented an update on his analysis of account payable and ProCard transactions using Benford's Law. He explained that the application of Benford's Law is a methodology to identify transactions that may be outside the norm. Mr. McGowan showed the Benford curves for the prior and current fiscal years for a comparison of year-to-year spending. He informed that Workday transactions for all fiscal years are very similar and suggested that the analysis be repeated by Audit each year, to analyze financial transactions and to see if any changes occur. Discussion ensued.

7. AUDIT SERVICES & MANAGEMENT SUPPORT ACTIVITIES-GEORGE McGOWAN DIRECTOR OF AUDIT SERVICES AND MANAGEMENT SUPPORT

Mr. McGowan discussed completed projects since the last audit board meeting. He also informed the Board of projects that are in progress, and projects that have not yet started. Mr. McGowan presented the revenue audit results for fiscal year 2015-2016 and 2016-2017 (to date). He summarized the results of several audits including Human Resources Hiring Practices, Business Tax Collections, and others. Discussion ensued.

8. NEW BUSINESS

None.

9. ADJOURNMENT

There being no further business to discuss, Ms. Wall declared the meeting adjourned at 1:54PM.

Respectfully submitted,

Judy Wall
Chair

Dina Dorestan
Litigation Paralegal/Recording Secretary