

The Audit Board of the City of Orlando met on Thursday, June 28, 2018 in the Manatee Conference Room, on the sixth floor of Orlando City Hall.

**BOARD MEMBERS:**

Judy Wall, Chair	Present	[4/0]
Stephen K. Clapp, Vice-Chair	Absent	[3/1]
May Wong	Present	[4/0]
Jose Delgado	Present	[4/0]
Jim Adamczyk (by phone)	Present	[4/0]

**OTHERS PRESENT:**

George McGowan, Director of Audit Services and Management Support  
Brian Battles, Deputy Chief Financial Officer  
Tara Culver, Assistant Controller  
Perez Goree, Audit Program Manager  
Eileen Fernandez, Board Review Committee

**1. CALL TO ORDER**

Ms. Wall determined that enough members were present for a quorum and called the meeting to order at 1:05 PM. Mr. Adamczyk attended by phone.

**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 MARCH 29, 2018 MEETING AS WRITTEN. THE MOTION WAS APPROVED UNANIMOUSLY.**

**3. PUBLIC COMMENT**

None.

**4. BUDGET UPDATE – BRIAN BATTLES, DEPUTY CHIEF FINANCIAL OFFICER**

Mr. Battles presented information on the current fiscal year (FY 2017-18) budget and the preparations for the next fiscal year (FY 2018-19) budget. He explained that the Budget Update for the end of the third quarter would be sent to the Audit Board once it is finalized. As of this date, the current year budget looks sound and as expected through this point of the fiscal year. Early preparations for the next fiscal year budget are taking place and the City has received a favorable report on the latest property appraisal figures. As in recent years, emphasis will be placed on public safety funding. A question was raised regarding the process for capital project funding and Mr. Battles explained how projects are identified and prioritized. Another questions was raised regarding the population growth the City is experiencing. Discussion ensued.

**5. AUDIT SERVICES AND MANAGEMENT SUPPORT UPDATE – GEORGE McGOWAN, DIRECTOR OF AUDIT SERVICES AND MANAGEMENT SUPPORT**

Mr. McGowan noted that the external auditor selection process has resulted in the selection committee recommending a selection to City Council which will be acted upon in July. Audit Board member Stephen Clapp was an active member of the selection committee. Mr. McGowan presented the completed projects since the last meeting and the revenue auditing results. Audit completed five revenue audits, one operational audit and one follow-up audit in the recent period. Mr. McGowan also reported on the projects in progress and the status of the current annual audit plan. Discussion ensued.

**6. AUDIT SERVICES & MANAGEMENT SUPPORT RISK ASSESSMENT AND AUDIT PLANNING UPDATE - GEORGE McGOWAN, DIRECTOR OF AUDIT SERVICES AND MANAGEMENT SUPPORT**

Mr. McGowan presented the methodology used by Audit to assess the risks facing the City and its departments and how these risks drive the audit planning process. Mr. McGowan noted that every three years a detailed assessment of the City's "auditable areas" is performed and this process results in the three year plans of possible audit projects. These projects are discussed with City management to determine a plan for each fiscal year. This process is just beginning and will be performed throughout the summer. Discussion ensued and questions from the Board were answered.

**7. NEW BUSINESS**

Eileen Fernandez of the City's Board Review Committee was introduced and explained that the City is reviewing the effectiveness and necessity of all its current public boards. A survey was sent to Audit Board members and all have completed the survey.

**8. ADJOURNMENT**

There being no further business to discuss, Ms. Wall declared the meeting adjourned at 1:55PM.

Respectfully submitted,

Judy Wall  
Chair

George McGowan  
Director, Audit Services and Management Support