

The Audit Board of the City of Orlando met on Thursday, January 25, 2024, in the Veteran's Conference Room on the 2nd Floor of Orlando City Hall.

BOARD MEMBERS:

Jessica Kolb	Present	[2/2]
Margaret Lezcano	Present	[2/2]
Rene Blanco	Present	[2/2]
Paul Shelton	Present	[2/2]
Marco Barbarossa	Absent	[1/2]

OTHERS PRESENT:

George McGowan, Audit Services and Management Support Director
Jose Fernandez, Controller
Holly Queen, Financial Reporting Manager
Deanna Brooks, Citizen
Perez Goree, Recording Secretary

1. CALL TO ORDER

Jessica Kolb determined that enough members were present for a quorum and called the meeting to order at 1:05 PM.

2. APPROVAL OF THE MINUTES

Jessica Kolb asked if there were any comments regarding the minutes from the previous meeting. **A MOTION WAS MADE TO APPROVE THE MINUTES OF THE NOVEMBER 30, 2023 MEETING AS WRITTEN. THE MOTION WAS APPROVED UNANIMOUSLY.**

3. PUBLIC COMMENT

Deanna Brooks inquired whether the City's Internal Audit quality control system is in place and operating efficiently.

Discussion ensued.

4. AUDIT SERVICES AND MANAGEMENT SUPPORT UPDATE – GEORGE MCGOWAN, DIRECTOR OF AUDIT SERVICE AND MANAGEMENT SUPPORT

Mr. McGowan presented completed projects since the last meeting and the revenue auditing results. Mr. McGowan also reported on the projects in progress and the status of the current annual audit plan.

Discussion ensued.

5. REVIEW AND APPROVAL OF AUDIT BOARD PROCEDURES- GEORGE McGOWAN, DIRECTOR OF AUDIT SERVICE AND MANAGEMENT SUPPORT & JESSICA KOLB, AUDIT BOARD CHAIR

Mr. McGowan and Ms. Kolb presented the City of Orlando Audit Board Procedures to the Audit Board.

Discussion ensued, and revisions were made. It was noted during this discussion that several of the City Code required actions of the Board have been accomplished and the recording secretary will document these actions.

A MOTION WAS MADE TO APPROVE THE CITY OF ORLANDO AUDIT BOARD PROCEDURES UPON COMPLETION OF REVISIONS. THE MOTION WAS APPROVED UNANIMOUSLY.

6. NEW BUSINESS

None

7. ADJOURNMENT

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

Respectfully submitted,

Jessica Kolb
Chair

Perez Goree
Recording Secretary

PROCEDURES
CITY OF ORLANDO
AUDIT BOARD

Jessica Kolb's notes

Direction:

The City of Orlando Audit Board is established by Chapter 2, Article XVII, of the City Code. The Audit Board's composition, term and appointment, purpose and duties, and meetings and records are set forth in Sections 2.130-2.133 of the City Code.

Purpose:

The purpose of the Board is to assist City Council in carrying out City Council's oversight responsibilities as they relate to the City's Financial and other reporting practices, Internal Control, Compliance with laws, regulations, and ethics, Independent audit process, and Special audit needs. The Audit Board shall have access to City personnel and documents as may be authorized or permitted by law.

Meetings:

- 1) Internal Audit staff shall:
 - a) Prepare meeting agenda and provide appropriate briefing materials
 - b) Record meeting minutes
 - c) Provide Audit Board recommendations to City Council
- 2) The Audit Board will schedule the first meeting at the beginning of the fiscal year and review the following documents and recommend revisions as necessary:
 - a) Chapter 2, Article XVII of the City Code
 - b) Audit Board Procedures
- 3) Annually elect Chair and Vice Chair under guidelines approved for all City Boards.
- 4) Board members may teleconference into an Audit Board meeting at the discretion of the Chair, provided the individual has access to relevant materials to be discussed at the meeting. A quorum (three members) must be physically present in the meeting room.

Responsibilities:

Financial and Other Reporting Practices

	1	2	3	4
Freq.				
✓				

The Audit Board shall review the final Annual Comprehensive Financial Report (ACFR) and Bond Disclosure Supplement. The CFO or designee will discuss with the Audit Board any material changes in the financial condition of the City and any significant issues resulting from audit of the financial statements.

	1	2	3	4
Freq.	✓	✓	✓	✓
✓	✓	✓	✓	✓

The Audit Board shall review the most recent quarterly financial statements versus budget and be notified of any material changes at each meeting.

Internal Control

	1	2	3	4
Freq.	✓	✓	✓	✓
✓	✓	✓	✓	✓

The Audit Board shall review the Management Letter and Single Audit/Compliance Reports with the external auditors annually.

	1	2	3	4
Freq.				
✓	✓	✓	✓	✓

(at least quarterly)
 - At each meeting review the status of the internal audit work plan and completed projects, fraud hotline items for reasonable assurance management controls are in place. Make any recommendations to the Audit Director concerning audit plans, programs, and presentation of audit results.

Compliance with Laws, Regulations and Ethics

	1	2	3	4
Freq.				
✓				

If at any time the Audit Board becomes aware of any matters which may involve criminal law violations, the Board shall refer such matters to the City Attorney, for review and action as deemed appropriate.

	1	2	3	4
Freq.				
✓				

If at any time the Audit Board becomes aware of any matters which may involve violations of Chapter 112 of the Florida Statutes or any other matters which may fall within the jurisdiction of the Florida Commission on Ethics, the Board shall refer such matters to the City Attorney for review and action as deemed appropriate.

Safeguarding the Independence of the Audit Process

	1	2	3	4
Freq.				
✓				

Recommend the appointment or dismissal of the external auditor through review of executed contracts with staff and/or selected external auditor to the City Council.

	1	2	3	4
Freq.		✓		
✓		✓		

Review the Internal Audit Charter found in the City Policy and Procedures Manual, Section 151, Office of Audit Services and Management Support (Audit) and recommend approval or disapproval.

	1	2	3	4
Freq.				✓
✓				✓

Annually review and recommend approval or disapproval of the external audit plan and budget.

	1	2	3	4
Freq.	✓	✓		✓
✓	✓	✓		✓

Review and make recommendations to the Internal Auditor on the annual internal audit plan. Ensure adequate coverage of the City's functions and Proper prioritization of high-risk areas and resources are being utilized efficiently and economically.

	1	2	3	4
Freq.	✓	✓	✓	✓
✓	✓	✓	✓	✓

Discuss compliance with accounting and auditing standards with City staff and the external auditors to review: *✓ for ✓*

- 1) Critical changes in accounting policies and practices
- 2) Alternative treatments of financial information discussed with management
- 3) Accounting disagreements between auditors and management, and other relevant communications between the auditor and management
- 4) Services provided by the external auditors and inquire if any non-audit services provided could impair independence under the GAO's Government Auditing Standards