URBAN COUNTY COUNCIL

BUDGET & FINANCE COMMITTEE SUMMARY

October 23, 2007

Dr. Stevens chaired the committee meeting, calling it to order at 1:00 pm. All committee members were present except CM Moloney.

I. Quarterly Report of Internal Audits-Sahli

-The Internal Audit Process

Bruce Sahli, Director of Internal Audit, gave an overview of this process.

-Summary of Audit Results, Senior Citizens Center Audit

Mr. Sahli gave the results of this audit. CM Gorton thanked Mr. Sahli for his work; she also asked if anyone goes back to make sure the action plan of the audited agency was put into place and Mr. Sahli answered yes. CM Gorton also asked about the cash that is received from the parking of the UK games. Mr. Sahli stated that the money goes into a donation fund account, which is matched by the state and federal govts. Mr. Sahli stated that they have taken a hard look at this collection process because they were worried about liability issues.

-Summary of Audit Results, Bid & Request for Proposal Process Audit

Mr. Sahli gave the results of this audit. CM Myers thanked Mr. Sahli for his work; CM Myers asked Mr. Sahli if this process is observation or mandate. Mr. Sahli said that most are risk observation but there are some that are based on best practice.

CM Stevens asked how the departments are chosen to be audited; Mr. Sahli answered that mainly by the nature of the business of the office. He does perform a risk assessment in order to come up with a list. The list is usually driven by the amount of revenue/expenditures involved, complexity of operations, decentralization of the operation, changes in management, and/or processes. CM Stevens went ahead to state that in the future there will be a clause in the PSAs about auditing of outside agencies that receive LFUCG funds.

CM Ellinger asked what the best process is if a citizen comes to them with an issue. Mr. Sahli stated that the issue needs to come to him first; he will then investigate the issue and decide if it is justified. Another question asked was how many audits are performed each year. Mr. Sahli stated that 12-14 projects are approved by Council then there are some special requests. His plan is to address the most important risks to UCG.

Jerry Southers, Council Office Budget Analyst, asked a question. VM Gray asked about the history of the Internal Audit Office. Mr. Sahli responded.

II. General Review of Budget in Brief Booklet FY 2008

This review was given by Connie Underwood, Division of Budgeting. CM Stevens and Comm. Koch spoke. CM Stinnett thanked Budgeting for the books and then asked about the FTE #s (full time equivalent) –all employees are included, not just full time.

CM Gorton asked about the difference in totals on pages 2-3 for all the funds listed. Ms. Underwood stated that she would find out. CM Stevens asked about the total # listed for the Council Office. Ms. Underwood stated that it includes the CMs also.

The meeting adjourned at 1:50 pm.