



HARFORD COUNTY, MARYLAND

Office of the County Auditor

AUDIT ADVISORY BOARD

MINUTES OF FEBRUARY 12, 2019 MEETING

Board Members: Pam Heckler, Greg Scherer, Pat Vincenti, Rob Wagner, Kim Spence, Chrystal Brooks

Other Attendees: Sarah Self

The meeting began at approximately 4:30 pm in the County Council Conference Room

Board Meeting Minutes – September 25, 2018

With no changes, Members approved meeting notes via email prior to this meeting.

Status of FY2018 Audit Plan

Following the last Board meeting, there were two audits remaining from the FY2018 audit plan. Ms. Brooks confirmed that both have been completed.

Status of FY2019 Audit Plan

- Ms. Brooks reported that, since the last Board meeting, 6 audits in the FY2019 audit plan have been completed. Five audits are in progress and the remaining projects should proceed on schedule.
- Ms. Spence noted that the new Treasury system will be launching in April and that may have an impact on any projects involving the Treasury department.

Proposed FY2020 Budget

Ms. Brooks explained that the FY2020 Auditor budget request remains level from the prior year. The request includes adequate funding for training and approximately 250 hours of external audit services. The request does not include additional staffing.

Changes to the Audit Advisory Board law

Ms. Brooks briefly discussed recommendations for changes to the Audit Advisory Board section of the County Code. The recommended changes would shorten board member terms and shorten the required separation time for members leaving the Board. Also, the recommendations would allow Board member terms to be staggered. The group did not take any action on these recommendations and agreed to revisit them at a later date.



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Audit Reports

- Peer Review – Ms. Brooks confirmed that the Office’s Peer Review was completed with a Pass rating. There were no management comments to be addressed. Mr. Scherer asked about verbal recommendations and Ms. Brooks confirmed that there were none. *Note from Chrystal: After the meeting, I remembered that we did discuss with the peer reviewers some language changes in our Standard Operating Procedures document to clarify changes we had already made to our procedures. The updates were made while they were onsite.*
- Facility Access Controls – Ms. Brooks described the objective of the audit and noted that the County does not have adequate control over physical keys. Additionally, the badge system had some inappropriate users and after-hours access is not monitored for irregularities. Ms. Spence noted that management is working on addressing the issues. Board members were satisfied with the results.
- Financial Statement Audits – Ms. Brooks noted that the County’s financial statements, Single Audit and related audits had been completed by CliftonLarsonAllen. There were no management letters issued. Ms. Brooks also noted that financial statement audits were completed for the County’s affiliated agencies. There was an issue related to one fire company not fully spending its appropriation. Additionally, fire companies continue to report their finances late. There were no questions and the Board was satisfied with the results.
- Zoning Requests – Ms. Self summarized the audit procedures and noted that there were no issues noted. The audit confirmed that required steps were followed when Zoning Permits and Appeals are reviewed. The audit did not review the accuracy of Zoning Decisions. The Board was satisfied with the results.
- Income Tax Revenue – Ms. Brooks explained that the audit reviewed the State’s calculations for local income tax distributions. There were no issues to report and the board had no questions.
- Purchase Card Controls – Ms. Self explained the audit and the findings that were noted. She explained that the prior finding related to inadequate transaction support remains valid. A new finding was related to employees not completing online training. Ms. Self confirmed that prior issues related to cardholder log approval and timeliness, cardholder limits and split purchases have been closed. Board members were satisfied with the results.
- Section 214 Review – County Council – Ms. Brooks explained that the office completed the exit procedures required by the County Charter for the entire Council Office. There were two issues – a missing piece of equipment and inconsistencies in mileage reimbursements. Corrective actions have been taken for both. The Board was satisfied with the results.



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Other Items

- Ms. Brooks briefly noted that there has been some history of not receiving information completely or timely from management, but that Ms. Spence serving as liaison has helped.
- Ms. Heckler asked about how the scope and or strategy of audit work is determined. Ms. Brooks described the Office's Risk Assessment process and explained that the risk assessment for the FY2020 audit plan will be presented at the next Board meeting.

The meeting was adjourned at 5:00 pm. The next meeting is scheduled for April 23, 2019.

Respectfully submitted,
Chrystal Brooks
County Auditor

Minutes were approved via email on 02/19/2019