

**APPROVED**

**AUDIT ADVISORY BOARD REGULAR MEETING  
CITY OF FORT LAUDERDALE  
CITY HALL 8<sup>TH</sup> FLOOR Commission CONFERENCE ROOM  
WEDNESDAY, OCTOBER 31, 2012  
5:00 PM**

<b>Board Member</b>	<b>Attendance</b>	<b>Cumulative Attendance</b>	
		<b>1/1/12 – 12/31/12</b>	
		<b>Present</b>	<b>Absent</b>
Martin Kurtz, Chair	P	4	0
Cindy Probeck, Vice Chair (resigned as of 8/30/12)	A	2	1
Roger Ally	A	2	2
Bob Oelke	P	4	0
Richard Owen	A	3	1

**Staff**

Elizabeth Cohen, Board Liaison  
Douglas Wood, Director of Finance  
Linda Logan-Short, Controller, Finance Department  
Veronica Wade, Board Liaison backup  
Laura Reece, Office of Budget, CIP and Grants  
Pamela Winston, Finance Dept.  
Deborah Garringer, Crowe Horwath  
Aazan St. Rose, Crowe Horwath  
Natalee Camoesas, MSL  
John Herbst, City Auditor's Office  
Marco Hausy, City Auditor's Office  
Connie Valencia, Elevate

**Communication to the City Commission**

None

**1. Call to Order**

The meeting came to order at 5:01 p.m.

**• Roll Call**

Elizabeth took roll call. Marty Kurtz & Bob Oelke were present. It was determined that a quorum was not present for this meeting, so no voting could take place at the meeting.

**2. Review of Meeting Minutes for Approval:**

• **June 12<sup>th</sup> , 2012**

A quorum was not established to review/approve these minutes. This item will be brought back to the next Board meeting.

**3. Audit Planning Strategy and Interim Audit Findings:**

Deborah Garringer/Crowe Horwath gave a briefing on the audit plan. Aaran St. Rose/Crowe Horwath gave a briefing on the audit controls. Aaran asked if there were any questions. Marty and Bob said they do not have anything at this time. Aaran offered their contact information and went on to say, that there were no surprises with the audit. Marty stated that there is a new tracking system in place, which should help with the audits.

Douglas R. Wood asked Laura Reece/Budget if she had anything to add. She said the system will officially be ready to use on Thursday.

Marty asked Deborah which risks on page 9, does she think are the most significant?

Deborah said that cash handling and vendor fraud as it relates to construction.

Doug stated that the cash collections for the Marina might be a facility to check.

**4. Unfunded Pension Liabilities (will be required on government balance sheets):**

Marty asked Crowe Horwath about the Unfunded Pension Liabilities. Aaran stated that this item is scheduled for the Fiscal Year (FY) 2014 Audit.

Marty and Bob stressed that the report be understandable by the Commission. Linda Logan-Short said it could be added to the MD&A.

**5. San Diego 30 Questions:**

Bob requested a follow up discussion on this item from the last Board meeting.

Doug asked Bob if he's seen the CAFR checklist. Bob said no. Linda said she will get the Board the list of questions.

Marty stated that we should have something in place before the end of the audit. John Herbst stated that they will be getting the report in the next month or so. Marty requested that John bring his questions/concerns to the next Board meeting.

**6. Other Business:**

Bob asked if there's are any certification issues for the Police and Fire Departments. John stated there was the one incident with the Fire and that they had made the recommendation to the Human Resources Department to check certifications.

Bob asked if there is in in-house process. John replied, that they had discussions with the Fire Chief, but that their hands are somewhat tied, because these certifications are not paid for by the City. John further stated that they did not have much success with the Collective Bargaining Unit, but they will keep this item on the table.

Bob asked if there were any certification issues. Doug stated, yes, with the PD. John stated yes, with Water and Sewer.

John went on to say that Auditor and Attorney office's all have certifications that are required to be held by staff. John has reviewed the training issues with City Manager, Lee Feldman and Lee made it clear, that the training programs remain a high priority.

Bob asked if there are any other training issues. Doug said yes, with Building.

Bob asked about the BAL Harbor investigation. John stated that they has not looked into the confiscated fund, however the previous External Auditor did.

John spoke briefly about the new system to consolidate the entire Audit Finding Tracking System process, whether it's for internal, external or FEMA audits. John added that the system will help adhere to the set deadlines and the report should be available for the next meeting. Marco Hausy/Auditors Office added that the search capability has been improved and now one can search the Excel spreadsheet by Department.

Bob asked if there are automatic updates sent to the responsible party. Marco said yes and showed the Board where that information is on the report.

Marty asked if the External Auditors are aware of this new system. Linda replied yes, they are aware.

Doug asked John for an explanation of the outstanding audits. John said these audits were from 6 months ago. Marty stated that they will look forward to the presentation at the next meeting. John stated that he would give an update on the Risk Matrix at the next Board meeting.

Marty asked that the IT Department give an update on the Network Vulnerability Assessment project at the next Board meeting. Marty said that there should also be an update given on the Status of the Audit findings at the next Board meeting as well.

Bob stated that Dick Owen (not present), previously requested an overview of what each of the different departments do and what acronyms stand for. John suggested a glossary be compiled and distributed. Doug asked that Laura, Miguel Seco/Budget Office, work on a Glossary of Terms and present it at the March meeting. Bob asked that the glossary be in Laymen's terms, in an effort to keep it understandable for the common person reading them.

**7. Next Meeting Date:**

No date was set for the next Board meeting.

**8. Adjournment:**

There being no further business to come before the Board at this time, the meeting was adjourned at 6:22 p.m.

Minutes prepared by Elizabeth Cohen, Board Liaison