

MINUTES

Monday, March 13, 2017

Audit Committee Meeting 4:01 PM

Carnegie Town Hall

Sioux Falls City Council 235 West 10th Street

Members Present: Committee Member Jason Forbes, Committee Member Arnold Martens, Committee Chair Rex Roling (arr. 4:22 p.m.), Committee Member Greg Neitzert, Committee Member Rick Kiley, Committee Member Michelle Erpenbach

Members Absent: Committee Member Seth Peterson

Staff Present: Kim Schroeder, Internal Audit Manager; Ashley Stroschein and Jenn Tanno, Internal Auditors

1. Call To Order

Committee Member Rick Kiley called the meeting to order at 4:01 p.m.

2. Introduction of new Internal Auditor, Jenn Tanno

The committee welcomed Jenn Tanno on her first work day as an Internal Auditor.

3. Approval of Minutes

A. Meeting of Wednesday, January 11, 2017

A motion was made by Committee Member Michelle Erpenbach and seconded by Committee Member Greg Neitzert to approve the minutes of Wednesday, January 11, 2017.

Committee Member Kiley called for a voice vote and all members present voted yes.

Motion Passed.

4. Reports and Updates

A. Review Follow-up to Fuel Control Audit Report

Ashely Stroschein, Internal Auditor provided the audit background, objectives, results, and recommendations.

A motion was made by Committee Member Jason Forbes and seconded by Committee Member Michelle Erpenbach to accept the Follow-up to Fuel Control Audit Report and submit it to the City Council.

Committee Member Kiley called for a voice vote and all members present voted yes.

Motion Passed.

B. Update on External Audit of City's 2016 Financial Statements

Kim Schroeder presented the following: federal compliance testing is complete and currently under review; the financial statement audit began in February and will be internally reviewed by Eide Bailly, LLP beginning this month;

andCity staff will be working on the CAFR which is due to Eide Bailly, LLP by March 31. The on-site work with Metro Communications and the audit with the Housing and Redevelopment Commission is on track. Eide Bailly expects to present to the Audit Committee in early Summer.

C. Review 2017 Annual Audit Plan

Kim Schroeder provided an overview of previous audit topics since 2010 and those proposed for 2017 to include preliminary objectives. Discussion about "gaps" in audit coverage and the proposed "public information requests" audit followed.

Committee Chair Rex Rolwing arrived at 4:22 p.m.

A motion was made by Committee Member Michelle Erpenbach and seconded by Committee Member Arnold Martens to remove "Public Information Requests" from the recommended 2017 Audit Plan.

Committee Member Kiley called for a voice vote and all members present voted yes.

Motion Passed.

A motion was made by Committee Member Rex Rolwing and seconded by Committee Member Michelle Erpenbach to submit the 2017 Annual Audit Plan, as amended.

Committee Member Kiley called for a voice vote and all members present voted yes.

Motion Passed.

5. Continuing Education / Training

An overview of planned continuing education and training was provided.

- A. The Institute of Internal Auditors Sioux Falls Chapter Spring Seminar, Sioux Falls
- B. The Institute of Internal Auditors 2017 Leadership Academy, Orlando Florida
- C. Association of Local Government Auditors 2017 Annual Conference in Atlanta, Georgia

6. Open Discussion

Clarification on the amended main motion from Item 4C was addressed at this time.

The next meeting of the Committee will be in May or June.

Kiley recognized this meeting as Schroeder's first in her capacity as Internal Audit Manager.

7. Adjournment

Committee Member Rick Kiley adjourned the meeting at 4:49 p.m.

Thomas M. Greco

City Clerk