**Taxation, Revenue, and Utilization**



**of Expenditures (TRUE) Commission**

**Niki Brunson – Chair**

**AUDIT COMMITTEE MEETING MINUTES**

**November 15, 2018**

**3:00 p.m.**

**City Council Conference Room B**

**Suite 425, City Hall**

**Attendance:** Commissioner Daniel Henry (by telephone)

**Excused:** Commissioner John Roberts

**Also**: Tommy Carter – Council Auditor’s Office, Jeff Clements – Council Research Division; Jim Mazur – TRUE Commission nominee

See attached sign-in sheet for additional attendees.

The meeting was called to order at 3:08 p.m. with Chairman Henry participating by telephone.

Lacking a quorum, the approval of minutes of the previous meeting was deferred to a future meeting.

Tommy Carter of the Council Auditor’s Office reported that the office had released 6 audits/reports since the last committee meeting.

#816: Sheriff's Investigative Fund Fiscal Year 2013/14

#817: Sheriff's Investigative Fund Fiscal Year 2014/15

#818: Sheriff's Investigative Fund Fiscal Year 2015/16

The three JSO Investigative Fund audits were all completed together and were discussed together. The audit found that the funds appear to have been correctly expended and accounted for. Office safes were appropriately locked when inspected and computer passwords were being changed when employees in the office changed. The review of the FY13-14 found several instances of scanned checking account records not being saved after the hard copy originals were destroyed after being scanned. Using the JSO’s internal auditor’s records, some of the transaction documents were subsequently recovered. Chairman Henry asked for further information on where the documents are stored and whether standard operating procedures were followed in handling the storage and destruction of the documents.

#819: Budget Summary Report for Fiscal Year 2018/19: the report shows the changes made to the Mayor’s proposed budget by the Finance Committee during its budget hearings, including $300,000 for KHA Stop the Violence grant program; $47,000 to KHA for grief counseling and burial expenses for children related to violent crime; $360,000 for Public Works vacuum truck; $120,000 for the co-location of Mental Health Resource Center Link & Quest program onto the Sulzbacher campus to assist homeless with obtaining housing and mental health services.

#820: Council Auditor's Office Annual Report Fiscal Year 2017/18: the Auditor’s Office issued 8 performance audits with 37 Findings, 26 Internal Control Weaknesses, and 25 Opportunities for Improvement aimed at improving the City’s operations and protecting the City’s assets. The performance audits identified over $550,000 in lost revenues of which about $500,000 is recurring in nature. Additionally, the staff assisted the external auditors on the audits of the City and JEA, saving the City and JEA over $60,000. The office reviewed approximately 685 legislative bills. Additionally, the office was responsible for reviewing the proposed budget for the City and its Independent Authorities. Review of the Mayor’s Proposed Budget resulted in recommendations that increased revenues by $195,022 and reduced expenditures by $892,715, which created savings totaling $1,087,737. The CAO issued 18 special reports and conducted numerous other special projects throughout the year.

#770A: Jacksonville Fire and Rescue Department Payroll Audit Follow-up: the original audit identified 21 issues (4 internal control weaknesses, 11 findings and 6 opportunities for improvement); 16 issues were cleared in the follow-up, leaving 5 issues remaining to be resolved (2 findings and 3 opportunities for improvement). The remaining issues involve: 1) lack of multiple military Leave and Earnings Statements (LES) for Fire and Rescue Department employees on active duty (using only 1 LES rather than multiple to calculate payment supplements); 2) overpayment of straight time overtime due to calculation errors involved in incentive pay; 3) need for improved consistency between JFRD collective bargaining agreement language and City payroll system language; 4) need for improved password settings for its timekeeping system (RMS) and improved design of the reports used to determine eligibility for certain types of payments; and 5) need for improvements and further automation of the payroll process by adding the capability to track available leave balance for FMLA leave in the City’s payroll system (HRMS).

There being no further business, the meeting was adjourned at 3:46 pm.

Jeff Clements, City Council Research Division

[Jeffc@coj.net](mailto:Jeffc@coj.net) 904-630-1405

Posted 11.15.18 3:30 p.m.

Tape: TRUE Audit Committee 11.15.18 – Legislative Services Division