



BERNALILLO COUNTY
AUDIT COMMITTEE MEETING
CONFERENCE ROOM B, 10TH FLOOR, ONE CIVIC PLAZA NW

MEETING MINUTES
Thursday, December 6, 2012
2:00pm to 4:00pm

Call to Order

The meeting was called to order at 2:00pm

Audit Committee (Representing the County Commission)

Maxwell Kagan, CPA, Chair
Paulette Becker, CPA, Esq., Secretary
Mandy Funchess, CPA, Member

REDW Internal Auditors

Jessica Bundy, REDW
Jeremiah Armijo, REDW
Steve Cogan, REDW
Melisa Martinez, REDW

County Personnel/Guests

Tom Zdunek, County Manager
Vince Murphy, Deputy County Manager, Community Services
Jarvis Darnell Middleton, Deputy County Manager, Public Works
Roger Paul, Technical Services Director, Public Works
Teresa Byrd, Deputy County Manager, Finance
Jewel Breen, Executive Assistant to DCM, Finance
Jeff P. Lovato, MBA, Accounting Director
Bonnie Ulibarri-Romero, CPA, Financial Projects Coordinator, Accounting
Anthony Infantino, Financial Projects Coordinator, Accounting
Cindy Torres, Audit Liaison and Accounting Officer, Accounting
Virginia Montoya, Accounting Officer, Accounting
Tia Bland, Public Information Director
Paul Roybal, CIO, Information Technology
Steven Gregg, IT Records Manager, Information Technology
Manny Ortiz, Treasurer
Fidel Bernal, CPA, Chief Deputy Treasurer
Jerry Larranaga, Treasurer's Office
Ryan Travelstead, Financial Officer, Treasurer's Office

Approval of Agenda

The agenda was approved as distributed.

Approval of minutes from last meeting: A motion to approve the minutes was made by Maxwell Kagan, Secretary. Mandy Funchess, audit committee member, second. The FY12 External Audit Exit Conference minutes of the November 8, 2012 meeting were approved as distributed.

Approval to reposition Email Record Retention Observation to Records Management Report: A motion to approve moving the updated Email Record Retention observation from Information Technology Equipment Report to Records Management/Public Information Requests Report was made by Maxwell Kagan. Mandy Funchess, audit committee member, second motion passed.

REVIEW OF THE INTERNAL AUDIT REPORTS

POWERPOINT PRESENTATION CREATED/NARRATED BY JESSICA BUNDY AND JEREMIAH ARMIJO

RECORDS MANAGEMENT AND PUBLIC INFORMATION REQUESTS (JEREMIAH ARMIJO PRESENTED THIS REPORT)

- 1 **Email Record Retention:** The County did not have an email record retention policy and was not consistently maintaining these records. Additionally, the State Records Center and Archives (SRCA) was not notified before the date of proposed destruction.

Electronic messages (email) classified as public records are regulated by the New Mexico Commission of Public Records -State Records Center and Archives (SRCA) and also the requirements of the Public Records Act and the Inspection of Public Records Act (IPRA).

- 2 **Records Management Policies:** The County did not have formal records management policies and as a result records were not always managed effectively or consistently. The following was observed:
 - a. Eight out of twelve departments did not have a centralized inventory index for the critical records on hand.
 - b. Two departments did not notify the State Records Center at least 60 days prior to disposing of records as required by (NMSA 1978) 14-1-8.
 - c. One department did not have an established Records Liaison Officer with the SRCA as required by 1.13.10.9 NMAC "Records Custody, Access, Storage, and Disposition."
- 3 **Records in Storage:** Records Management utilized a third party vendor for storing microfilmed records and inactive paper records. The following was observed:
 - a. The monthly inventory index utilized by Records Management did not have consistent formal descriptions of the records, dates of the records, assigned retention schedules, or dates available for destruction.
 - b. None of the records tested had a retention schedule assigned.
 - c. The County potentially spends unnecessary storage costs for microfilmed records.
 - d. None of the physical records held in storage had a consistent label and some only had a hand written vendor index number.
- 4 **Inspection of Public Records:** The Inspection of Public Records Act "IPRA" (Chapter 14, Article 2 NMSA 1978 sets forth the requirements for processing, responding, and the inspection of Public Records. IPRA requires that is a request to inspect public records is not granted within three business days a written notification must be sent to the requester notifying them when the records will be made available. The following was observed:
 - a. Some completed requests did not have documentation to support that the requester was notified within three business days after receipt.
 - b. Some open status public information requests tested were not resolved within 15 days.
- 5 **Imaging Plan:** State statute allows for any public officer to photograph, microphotograph or reproduce on film public records. The County does not have an imaging plan that has been approved by the State Records Administrator.

Steven Gregg, Paul Roybal and Tia Bland addressed questions from the audit committee. (see official report for management response.) Max Kagan, ACC indicated that management responses were too lengthy and asked management to condense responses

Maxwell Kagan, audit committee chair, made motion to approve modifications to sections of the report to the Records Management Report. Paulette Becker, audit committee secretary, second motion passed

INFORMATION TECHNOLOGY EQUIPMENT (JEREMIAH ARMIJO PRESENTED THIS REPORT)

This internal audit report was previously presented and reviewed at the audit committee meeting on August 6, 2012. The report was modified to exclude the Email Records Retention Observation and brought back to the committee for approval.

Maxwell Kagan, audit committee chair, made motion to approve modifications to sections of the report to the Records Management Report. Paulette Becker, audit committee secretary, second motion passed.

PUBLIC WORKS-CONSTRUCTION AND MAINTENANCE PROJECTS (JESSICA BUNDY PRESENTED THIS REPORT)

- 1 **Tracking and documentation of project costs:** For two internal projects the division did not have controls in place to properly track and document the overall project cost and progress.
- 2 **Documentation of modifications to funding agreements:** For one project tested with outside funding sources, the Division did not allocate the funding according to the written agreement with Albuquerque Metropolitan Arroyo Flood Control Authority "AMAFCA." Modifications should be in writing.
- 3 **Outside funding compliance requirements:** For one project, the division submitted an alternate form titled "Certification of Capital Cooperative Agreement Compliance/Completion" instead of the form required by the agreement.

Roger Paul, Technical Services Director at Public Works, addressed questions from the audit committee. (see official report for management response.)

Maxwell Kagan, audit committee chair, made motion to approve Public Works Internal Audit Report. Paulette Becker, audit committee secretary, second.

Special Audit Update-Rate Payers (presented by Jessica Bundy)

Jessica updated the committee on the special audit requested by Commissioner Johnson and Commissioner Stebbins.

- Audit will take less than 100hrs
- Test work completed
- Currently drafting report
- Audit report will be reviewed at the next meeting on Wednesday, February 20, 2013.

Internal Audit Status Update (presented by Jessica Bundy)

- Risk assessment and planning -completed
- Record Retention including Public Information Requests presented at August 2013 meeting.
- Public Works-Construction and Maintenance Projects presented at October 2012 meeting.

- Receiving and Issuing Process-in field work stage, presented at February 20, 2013 meeting.
- Special Projects-audit wrap up.
- Metropolitan Detention Center (MDC) to be completed February 2013.

To be completed May 2013

- IT-Strategic Plan Design
- Social Service Sponsorship Grants
- Real Estate/Lease Acquisition Procedures

To be completed end of June 2013

- Animal Care-Complaints Process
- Follow-up/Cash Counts

Adjournment

Maxwell Kagan, audit committee member, made motion to adjourn meeting. Paulette Becker audit committee member, second. Motion passed.

CONFIRMED NEXT MEETING DATE

AN AUDIT COMMITTEE MEETING WILL BE HELD FROM 2:30PM-4:30PM
WEDNESDAY, FEBRUARY 20, 2012 IN CONFERENCE ROOM B

EXECUTIVE SESSION

COMMITTEE WENT INTO EXECUTIVE SESSION

ADJOURNMENT

MEETING WAS ADJOURNED AT 4:30PM BY MAX KAGAN