



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

MEETING MINUTES

Tuesday, June 21, 2016

2:30pm to 4:30pm

Call to Order

The meeting was called to order at 2:30pm

Audit Committee (Representing the County Commission)

Mandy Funchess, CPA, Chair
Paulette Becker, CPA, Esq., Secretary
Armando Sanchez, CPA, Member

REDW Internal Auditors

Jessica Bundy, REDW
Abby Moser, REDW
Steve Cogan, REDW

County Personnel/ Guests

Julie Baca, County Manager
Shirley Ragin, Deputy County Manager, Finance
Pamela Moon, Accounting & Budget Director
Jackie Sanchez, Financial Manager, Accounting & Budget Department
Trudy McGregor, Financial Projects Coordinator, Accounting & Budget Department
Cindy Torres, Audit Liaison and Accounting Officer, Accounting & Budget Department
Jennifer Urioste, Financial Services Administrator IV, Accounting & Budget Department
Paul Herrera, Grant Administrator, Accounting & Budget Department
Robert Benavidez, CIO, Information Technology Department
Lisa Sedillo-White, Deputy County Manager, General Services Division
Dinah Esquivel, Director, Procurement & Business Services
Amy Childers, Manager, Procurement & Business Services
George Schroeder, Manager, Environmental Health

Approval of Agenda

The agenda was unanimously approved as distributed.

Approval of minutes from last meeting The minutes of the April 27, 2016 meetings were unanimously approved as distributed.

Review of the Internal Audit Reports

POWERPOINT PRESENTATION CREATED/NARRATED BY JESSICA BUNDY

- I. ACCOUNTS PAYABLE AND CONTRACT MONITORING
- II. GRANT INITIATION AND APPROVAL PROCESS

ACCOUNTS PAYABLE AND CONTRACT MONITORING (JESSICA BUNDY PRESENTED THIS REPORT)

1. Payment Amount does not agree to Contract: The process to review invoices to ensure they are in accordance with the contracts appears to be inconsistent.
2. Outdated Vendor Information: There were a total of 16,000 vendors included on the Vendor Listing and those, only approximately 4,000 were used by the County in 2015.
3. Invoices Receipt Dates not Accurately Entered: There is currently no process in place to review invoices for accuracy after they have been scanned and entered in SAP. Invoices receipt date in the SAP system, in many instances, did not match the date stamp on the invoice when received by the County.

Observation, Recommendations and Management Responses:

- 1) *Procurement & Business department will develop and deliver training to each department's invoice approvers to ensure that they know what is expected in the invoice approval process.*
- 2) *Accounts Payable submitted two (2) ERP Request Forms on April 19, 2016, to address the following: Archiving of inactive vendors that have not been used in two (2) years or more. Development of a customized report that provides information of all vendors that have been active since July 1, 2014, based on paid purchase orders.*
- 3) *The Accounts Payable department has further investigated the problem and has found that their may be probable system issues. The date of resolution from ERP is dependent upon ERP priorities and available resources.*

Mandy Funchess, audit committee chair, made motion to approve the Accounts Payable and Contract Monitoring audit report. Paulette Becker, audit committee member, second. Motion passed

(To view final internal audit reports, go to the County's Transparency Portal, "BerncoView," located on its website, www.berncoview.gov)

GRANTS INITIATION AND APPROVAL PROCESS (JESSICA BUNDY PRESENTED THIS REPORT)

1. Grant Approval Tracking Process: There was no tracking process in place to gather all grant opportunities and to determine which were relevant to the departments. Without a tracking process it is unclear what action was taken based on the efforts of the Grant Administrator.

Observations, Recommendations and Management Responses:

The Grant Administrator has identified and began the process of procuring two user licenses for eCivis, which is a Grant Management System. The eCivis contract is scheduled to be fully executed by July 1, 2016, for a three (3) year licensing agreement term. The software will help identify new grant opportunities on a more prompt basis providing departments' additional time to meet application deadlines.

Training material will be developed for the mandatory training on Grants Administrative Instruction (AI) SG01 through MyBLC. The projected time of completion is January 31, 2017.

The Grants AI SG01 will be amended as well as the InProcess flowchart to expedite the approval routing process. The projected time to implement training is January 31, 2017.

GRANTS INITIATION AND APPROVAL PROCESS (JESSICA BUNDY PRESENTED THIS REPORT) CONT'

Mandy Funchess, audit committee chair, made motion to approve the Grants Initiation and Approval Process audit report. Paulette Becker, audit committee member, second. Motion passed

(To view final internal audit reports, go to the County's Transparency Portal, "BerncoView," located on its website, www.berncogov)

Adjournment

Mandy Funchess, audit committee chair, made motion to adjourn meeting. Audit Committee went into Executive Session. Paulette Becker audit committee member, second. Motion passed.

CONFIRMED NEXT MEETING DATE
AN AUDIT COMMITTEE MEETING WILL BE HELD FROM 2:30PM-4:30PM
THURSDAY, AUGUST 4, 2016 IN CONFERENCE ROOM B

EXECUTIVE SESSION
COMMITTEE WENT INTO EXECUTIVE SESSION

ADJOURNMENT
MEETING WAS ADJOURNED AT 4:30PM BY MANDY FUNCHESS