



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

MEETING MINUTES
Wednesday, January 22, 2014
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
Shannon Sanders, REDW

County Personnel/Guests

Tom Zdunek, County Manager
Teresa Byrd, Deputy County Manager, Finance
Jeff P. Lovato, MBA, Accounting Director
Bonnie Ulibarri-Romero, CPA, CGMA, Financial Projects Coordinator, Accounting
Anthony Infantino, Financial Projects Coordinator, Accounting
Cindy Torres, Audit Liaison and Accounting Officer, Accounting
Virginia Montoya, Accounting Officer, Accounting
Jarvis Middleton, Deputy County Manager, Public Works
Ramon Rustin, Chief of Corrections, MDC
Virginia Chavez, Assistant Chief of Operations, MDC
Kevin Sourisseau, Chief Financial Administrator, MDC
Cara Smouse, MDC
Raymond Gonzales, MDC
Justin Dunlap, Sheriff's Office
Brad Sharp, Sheriff's Office
Lenore Buffington, Sheriff's Office
Craig Sparks, Director, Youth Services Center (YSC)
Anne Martinez, Assistant Director, Youth Services Center (YSC)
Steve Miller, Director, Public Works
Deanna Miglio, Public Works

Approval of Agenda

The agenda was unanimously approved as distributed.

Approval of minutes from last meeting The minutes of the October 29, 2013 and November 7, 2013 meeting were unanimously approved as distributed.

Review of the Internal Audit Reports

POWERPOINT PRESENTATION CREATED/NARRATED BY JESSICA BUNDY AND SHANNON SANDERS COMMUNITY CUSTODY PROGRAM -CCP (JESSICA BUNDY PRESENTED THIS REPORT)

1. Fee Collection Process: An initial hook-up fee and weekly fees are to be assessed and collected from the inmates throughout their time in the program. The record of payment on the inmate's file was often incomplete or missing.
2. Forms and Signatures: There are various forms that are required to be completed and approved throughout the inmates' time in the CCP. Many of the required forms were often missing from the inmates' files.

Management addressed questions from the audit committee.

- 1.) The Metropolitan Detention Center will pilot a project to charge a one-time fee of \$100 for each CCP inmate.
- 2.) MDC Managers will conduct monthly audits of the CCP files for compliance. A check list will be developed and followed for the monthly audits. A report of deficiencies will be submitted to the CCP Captain and Chief.

Mandy Funchess, audit committee chair, made motion to approve the Community Custody Program (CCP) 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)

YOUTH SERVICES CENTER (SHANNON SANDERS PRESENTED THIS REPORT)

1. Employee Requirements: Prior to starting duties, employees are required to receive a criminal background check, sign a statement acknowledging their understanding of facility policies and regulations, and receive training relevant to their position.
Four of 40 employees tested did not receive a criminal background check prior to starting their duties at YSC.
Nine of 40 employees tested had not signed a statement acknowledging their understanding and compliance with facility policies and procedures.
2. YSC PREA Policy for Incident Reporting: An incident report should be completed and maintained for all alleged incidents and include all significant information (including victim information, dates and times of all alleged incidents, support for decisions of whether or not to contact of law enforcement, assignment of investigation was completed and resolution of outcome was communicated to all parties).
3. PREA Grant Compliance Requirements: The Grant agreement between the Youth Services Center and the National PREA Resource Center includes specific compliance requirements related to reimbursement of expenditures, including allowable travel. YSC should assign someone to gain a thorough understanding of the compliance requirements and monitor activity for compliance.
4. Resident Trust Fund: YSC has established a Resident Trust Fund for all cash confiscated from residents in excess of five dollars. The confiscated cash is to be deposited within 24 hours and the trust fund account is to be reconciled monthly. Some of the deposits were not made timely and some cash returned to the resident upon release was not properly tracked.
5. Resident Grievances: YSC Grievance policy requires the initial investigation of any grievance be completed within 24 hours of the complaint, and the resident to be informed of the results of the investigation. Some errors occurred in tracking the grievances.
6. Reporting required by the Joint Powers Agreement: YSC is required to issue a quarterly written report to Sandoval County detailing the progress of the YSC including populations, expenses, projected expenses, and any items of potential legal or fiscal impact. One report did not contain all the required information.

YOUTH SERVICES CENTER (SHANNON SANDERS PRESENTED THIS REPORT) CONT'

Management addressed questions from the audit committee.

- 1.) YSC has changed its practice and will run a new criminal background check on County employees that transfer to YSC prior to their employment start date in their new position. YSC will ensure a copy of their background check is on file and meets the New Mexico Juvenile Detention Certification standards. Effective January 1, 2014, the formal signed statement has been (re) implemented as a standard practice as part of New Employee Orientation.
- 2.) YSC applied for and was awarded a grant to support the implementation of the Federal Prison Rape Elimination Act (PREA) in order to comply with national best practice standards. Management is addressing this observation and the detail is documented in the final audit report.
- 3.) YSC has assigned a Grants Manager and a Financial Administrator to ensure full and proper oversight of activity and compliance with all requirements.
- 4.) YSC has since established a process which ensures that deposits occur on every business day. In addition, youth and parent/guardian are now provided alternatives to secure property shortly after the youth is released.
- 5.) YSC updated the Grievance Policy on December 23, 2013, which addresses the issues identified. A revised /grievance Form has also been created and implemented which is a more user friendly document with check boxes and other prompts that are designed to reduce errors.
- 6.) YSC holds positive and productive relations with Sandoval County. By the next quarter, YSC will draft, amend, and route for execution its Joint Powers of Agreement to state that an annual budget only needs to be submitted if there is a change to the existing budget. YSC will submit actual and projected expenses on all future reports.

Mandy Funchess, audit committee chair, made motion to approve the Youth Services Center audit report. Paulette Becker, audit committee member, second. Motion passed

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REAL ESTATE AND LAND ACQUISITIONS (SHANNON SANDERS PRESENTED THIS REPORT)

1. **Leases:** State Board of Finance approval is required if the term of the lease or sublease is for a period of more than five years, or the consideration over the lease term is more than \$25,000. One lease was not presented or approved by the State Board of Finance.
2. **General Records:** Right of Way (ROW) does not utilize a database or system to track land transactions, nor do they keep a formal list of such transactions.

Management addressed questions from the audit committee.

- 1.) The identified lease was done in 2009. Since that time Right of Way (ROW) has developed a more centralized system for processing leases that has significantly decreased errors in the County's leases.
- 2.) Management agrees with the recommendation of creating separate master lists for acquisition and disposition of lands as well as separate spreadsheets for each Technical Service project. Right of Way (ROW) already has a master list.

Mandy Funchess, audit committee chair, made motion to approve the Real Estate and Land Acquisitions audit report. Paulette Becker, audit committee member, second. Motion passed

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JUDICIAL OPERATIONS DIVISION (JESSICA BUNDY PRESENTED THIS REPORT)

There were no significant high/moderate risk observations identified during this audit. All court documents tested contained all information required by State Statute. All cash and check transactions tested were properly deposited and reconciled.

Mandy Funchess, audit committee chair, made motion to approve the Judicial Operations Division audit report. Paulette Becker, audit committee member, second. Motion passed

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Follow-Up on Internal Audit Status Update (presented by Jessica Bundy)

Jessica Bundy presented a status update on audits currently in progress from the FY14 internal audit plan.

- Six internal audits are left on the plan.
- Two audit areas will be reviewed by the committee at the next meeting in May 2014.
 - Assessor's Office-Real Property
 - Human Resources
- Three audit areas, (Emergency Communications, Risk Management and Capital Assets) will be presented at a meeting later in June 2014.
- One audit area (Economic Development) has been moved to FY15.

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 2:00PM-4:00PM
WEDNESDAY, MAY 28, 2014 IN CONFERENCE ROOM B

EXECUTIVE SESSION

COMMITTEE WENT INTO EXECUTIVE SESSION

ADJOURNMENT

MEETING WAS ADJOURNED AT 4:30PM BY MANDY FUNCHESS