



**Bernalillo County
Audit Committee Meeting**
Conference Room B

MEETING MINUTES

Wednesday, February 9, 2011
1:30pm to 3:30pm

Call to Order

The meeting was called to order at 1:30pm

Audit Committee (Representing the County Commission)

Demesia Padilla, CPA, Chair
Maxwell Kagan, CPA, Secretary
Paulette Becker, CPA, Esq., Member

REDW Internal Auditors

Nita Looks Twice, REDW
Steve Cogan, REDW

County Personnel/ Guests

Tom Zdunek, Interim County Manager
Daniel J. Mayfield, Deputy County Manager, Budget and Finance
Jeff P. Lovato, MBA, Accounting Director
Bonnie Ulibarri-Romero, Financial Projects Coordinator
Cindy Torres, Audit Liaison, Accounting
Dan Houston, Bernalillo County Sheriff
Ron Paiz, Undersheriff
L. Elva Gonzales, Sheriff's department
Christy Highland, Sheriff's department
Lenore Buffington, Sheriff's department
Fidel A. Bernal, CPA, Chief Deputy Treasurer
Renetta Torres, Deputy County Manager, Administrative Services
Lisa Sedillo-White, Purchasing Director
Teresa Byrd, Budget Director
Betty Valdez, Housing Director
Ruth Lott, Housing Administrator, Housing Department
Dan McKay, Reporter for the Albuquerque Journal

Approval of Agenda

The agenda was unanimously approved as distributed.

Approval of minutes from last meeting The minutes of the November 10, 2010 meeting were unanimously approved as distributed.

REVIEW OF THE INTERNAL AUDIT REPORTS

POWERPOINT PRESENTATION CREATED/NARRATED BY NITA LOOKS TWICE

Housing Department (Nita Looks Twice presented this report)

1. Financial Reporting: The Housing department uses Emphasis Elite to manage their housing programs and accounting functions, while the Finance department uses SAP. There is no interface between the two programs; as a result, data is manually transferred between the two systems on a monthly basis.

Betty Valdez, Housing Director, addressed questions from the audit committee. The Housing department proposed to implement new software that will integrate Housing's financial activity into the SAP System. Ideally, software that will function as general ledger, accomplish fiscal goals, provide information for HUD and increase efficiency. The estimated cost is approximately 50-60 thousand dollars. The county will look into additional options.

Demesia Padilla, audit committee member, made motion to approve Housing internal audit report. Max Kagan audit committee member, second. Motion passed.

Sheriff's Department Currency Evidence Account (Nita Looks Twice presented this report)

1. Insufficient Cash Tracking and Reconciliations: BCSO substations are not faxing the money tracking sheet for all cash collections to BCSO headquarters to ensure all cash is properly deposited. The information is only being entered into the City of Albuquerque "TraQ" system. The Sheriff should obtain access to the APD TraQ system which will allow for a reconciliation to insure cash collections at the substations are properly deposited to the account.

Sheriff Dan Houston addressed questions from the audit committee. Sheriff Houston strongly agrees that obtaining access to the APD TraQ System will allow for accurate recording of deposits. He will work to obtain access to TraQ and has assigned staff to perform the reconciliations.

Demesia Padilla, audit committee member, made motion to approve Sheriff's internal audit report. Max Kagan audit committee member, second. Motion passed.

Accounts Payable (Nita Looks Twice presented this report)

This report was tabled for the next meeting and then later the committee decided to have the report presented.

1. Vendor remittance information not always being retained.
2. Timely payment of invoices.
3. Late fee tracking.

Teresa Byrd, Budget Director addressed questions from the audit committee.

- Teresa's plan is to revise the administrative instructions and other department procedures to insure that remittance information is maintained.
- The Accounts Payable and ERP team have been meeting to develop a plan for creating a streamlined invoice management to address timely payment of invoices.
- A meeting has been scheduled with the ERP team, Accounting and Purchasing staff to address creating a new account to track late fees.

4. February 2010 ACH and Wire Transfers Internal Audit Report follow-up

Fidel Bernal, Chief Deputy Treasurer, affirmed that the ACH and wire transfer is fully guarded and safe-guards are in place. An administrative instruction has been developed and approved by the Accounting Director and Deputy County Manager. It is being reviewed by Human Resources and Legal. Once approved it will be available Countywide.

Demesia Padilla, audit committee member, made motion to approve the Accounts Payable report. Max Kagan audit committee member, second. Motion passed.

Internal Audit Update (Nita Looks Twice presented this report)

Nita gave a status update of the FY2011 Audit plan. She addressed the audits that have been completed, the audits that are in progress and the audits still to be completed. She also detailed the hours consumed and the hours still available. The plan includes a maximum of 2400hrs.

ADJOURNMENT

Demesia Padilla, audit committee member, made motion to adjourn meeting. Max Kagan audit committee member, second. Motion passed.

CONFIRMED NEXT MEETING DATE

**THE NEXT MEETING WILL BE FROM 2:00PM TO 4:00PM ON WEDNESDAY, MAY 18, 2011
IN CONFERENCE ROOM B,**

EXECUTIVE SESSION

COMMITTEE WENT INTO EXECUTIVE SESSION.

ADJOURNMENT

MEETING WAS ADJOURNED AT 3:30PM BY DEMESIA PADILLA