

**MINUTES
CUYAHOGA COUNTY
AUDIT COMMITTEE
MEETING**

Tuesday, December 10, 2024

9:00 AM – 12:00 PM

1. Call to Order – meeting of December 10, 2024

The meeting was called to order at 9:00 a.m.

2. Roll Call

Attending:

Michael Abouserhal, Audit Committee Chairman

Trevor McAleer (alternate for Council President Pernel Jones, Jr.)

Keith Libman

Katie Gallagher (alternate for County Executive Chris Ronayne)

Michael Chambers, Fiscal Officer

Note: Salvatore Talarico and Meltrice Sharp arrived after roll call at 9:04 am and 9:11am, respectively.

Absent:

None

3. Public Comment - Related to Items on the Agenda

There was no public comment related to items on the agenda.

4. Approval of Minutes – September 5, 2024

Keith Libman motioned to approve the September 5, 2024 minutes; Michael Abouserhal seconded. The motion was unanimously approved.

5. Member Appointment

Michael Abouserhal expressed his appreciation for Richard Molina's decision to join the committee, noting that he will be a valuable asset, and turned to Richard and the committee for introductions. Richard Molina introduced himself to the Audit Committee. Committee and County staff also introduced themselves.

Michael Abouserhal also expressed his gratitude for serving on the committee for 10 years. He made complimentary remarks and thanked committee members, County Executive, County Council, and Internal Audit staff.

6. Executive Session (As Necessary)

Keith Libman motioned that the Committee go into Executive Session per ORC 121.22(G)(3) for the purpose of considering a complaint against a public official and confer with outside council on a dispute which is subject to imminent court action; Salvatore Talarico seconded. A roll call was taken and the motion was unanimously approved: Michael Abouserhal, yea; Trevor McAleer, yea; Keith Libman, yea; Meltrice Sharp, yea; Salvatore Talarico, yea.

The Executive Session was called to order at 11:26 a.m. The Executive Session adjourned at 11:59 a.m. Michael Abouserhal then reconvened the general meeting.

7. Old Business

a. Follow-up Items from 3rd Quarter Meeting

Cory Swaisgood, Director of Internal Audit, presented on follow up items from the 3rd quarter. Discussion ensued on each follow up item.

Keith Libman inquired on the Update to Council follow up item. Cory Swaisgood responded accordingly.

b. Grants Audit – Update

Cory Swaisgood presented on this agenda item. Leigh Tucker and Lennon Taylor were unable to attend the meeting today, but Ms. Tucker provided a status update via email on December 9, 2024, which was provided to committee members with their printed meeting materials.

Discussion ensued amongst the committee members pertaining to the item.

c. Recommendation for Revision to Cuyahoga County Charter

Cory Swaisgood presented on this agenda item. Since the last meeting, Mark Musson, Assistant Prosecuting Attorney, assisted in making two changes:

- The language in section 11.04(4) on page 3 was revised to mirror that of the IG's charter language regarding free and unrestricted access to records with limited differences.
- The phrase "or designee" was added to the Council President's seat on the committee in section 11.03 on page 1. The Committee has referenced County Code Section 112.01 for a designee to sit on the Committee for the Council President. While this addition may not be strictly necessary, it helps eliminate any ambiguity in the charter.

Discussion ensued amongst the committee members pertaining to the item.

No action was taken on this item.

d. Annual Review of Audit Committee Charter

Cory Swaisgood presented on this agenda item. The only update to the charter since the last meeting was the change in the document's title from "Audit Committee Charter" to "Audit Committee By-Laws."

Salvatore Talarico motioned to approve revisions to the Audit Committee By-Laws as presented; Meltrice Sharp seconded. The motion was unanimously approved.

e. Annual Review of Internal Audit Charter

Cory Swaisgood presented on this agenda item. The only updates to the charter since the last meeting was changing the document's title from Internal Audit Charter to Internal Audit Code, amending language on page 2 to have the Director report "administratively to a member of the Audit Committee or Management, to support day-to-day activities." The current timesheet approval process will remain. The Fiscal Officer and Council President (Trevor as designee) will have access to view the Director's timesheet at any time. Other administrative approvals for the Director, such as travel, and reimbursements will continue to go through the Fiscal Officer.

Discussion ensued amongst the committee members pertaining to the item.

In closing, it was determined to revise "Code" to "Regulations" per Trevor McAleer's request, and additionally alter item #12 to correct spelling of "biennial" per Salvatore Talarico's request, and revise the external Peer Review requirements to occur "...at least once every five years..."

Trevor McAleer motioned to approve of the Internal Audit Regulations as revised today during the meeting; Keith Libman seconded. The motion was unanimously approved.

f. Annual Review of Internal Audit Policy

Cory Swaisgood presented on this agenda item noting that the Department of Internal Auditing requires additional time to update the Internal Audit Policy and requested a deferral until 2025.

g. Semi-Annual Issue Tracker Report

Cory Swaisgood introduced this agenda item. Joshua Ault presented the Issue Tracker Report as of June 30, 2024.

Discussion ensued amongst the committee members pertaining to the item.

h. Conformance with Revised Auditing Standards

Cory Swaisgood presented on this agenda item, which included a powerpoint on the new internal audit standards including requirements that impact the Audit Committee and the Department.

Cory Swaisgood noted this presentation satisfies requirements in domain 3 of the new standards to present and discuss the new standards with the Audit Committee and senior management.

i. Departmental Goals Update

Michael Abouserhal discussed the history of departmental goals, emphasizing the focus on helping departments better understand the Internal Audit process to ensure audits are conducted smoothly.

Cory Swaisgood presented updates on the “Getting to Know DIA Campaign” over the past 3 months.

j. 2025 Budget Update

Michael Abouserhal provided a brief overview of the budget, noting that the biennial budget for 2024 and 2025 was approved earlier in 2024. However, there have been ongoing discussions with County management over revisions.

Cory Swaisgood presented updates to the 2025 Budget and provided comparisons to prior budgets presented to the Committee. The 2025 Council approved budget includes the following adjustments:

- \$20,000 was added for operational needs as presented at the 3rd quarter meeting.
- \$36,676 was added for pay equity adjustments (County-wide initiative).

Discussion ensued amongst the committee members pertaining to the item. Cory Swaisgood addressed questions on IT auditing services and pay equity adjustments from Richard Molina and Trevor McAleer, respectively.

Meltrice Sharp motioned to approve the revised 2025 budget as presented; Trevor McAleer seconded. The motion was unanimously approved.

8. Other Business:

a. Staff Auditor Position

Michael Abouserhal noted that the charter charges the Audit Committee with the responsibility of formally approving the hiring of Internal Audit staff and requested a motion for the newly hired staff auditor, Tiana Stringer, in Internal Audit.

Trevor McAleer motioned to approve the hiring of Staff Auditor, Tiana Stringer, Salvatore Talarico seconded. The motion was unanimously approved.

b. Records Retention Schedule – Updated

Cory Swaisgood presented on this agenda item. In accordance with ORC 148.38 and County Code section 106, Mr. Swaisgood requested the Audit Committee's approval of the updated schedule prior to County Records Commission submittal for the required approval and filing.

Discussion ensued amongst the committee members pertaining to the item. Cory Swaisgood answered questions from the Committee, accordingly.

Keith Libman motioned to approve the amended record retention schedule for the Department of Internal Auditing as presented; Salvatore Talarico seconded. The motion was approved unanimously.

c. Review and Approve 2025 Risk Assessment

Michael Abouserhal stated that he reviewed the 2025 Risk Assessment report with Cory Swaisgood and believes it adequately addresses the risk concerns of the Executive and Council.

Cory Swaisgood presented on this agenda item:

Discussion ensued amongst the committee members pertaining to the item. Cory Swaisgood answered questions from Richard Molina on the risk assessment process, accordingly.

Salvatore Talarico motioned to approve the 2025 Risk Assessment, as presented, Trevor McAleer seconded. The motion was unanimously approved.

d. Discuss and Tentatively Approve 2025 Audit Plan

Cory Swaisgood presented on this item and discussion ensued amongst the committee members throughout the presentation.

Cory Swaisgood answered questions from committee members, accordingly. The Committee requested Mr. Swaisgood to follow up on the County Ethics Review requirement with the 2021 external peer reviewers.

Discussion ensued amongst the committee members pertaining to the item.

In closing, Michael Abouserhal asked Cory Swaisgood if the available hours from Internal Audit should be sufficient to cover the first three pages of the audit plan (approximately 6,300 hours), so that at the next meeting, they can demonstrate how the available hours align with the audit plan as presented. Mr. Swaisgood confirmed that this would be the case.

Meltrice Sharp motioned to tentatively approve the 2025 Audit Plan, as presented; Salvatore Talarico seconded. The motion was unanimously approved.

e. QAIP – Internal Assessment Review

Michael Abouserhal explained that the peer review requires Internal Audit to conduct annual self-assessments to evaluate their operations and determine internally whether they comply with the standards, which will help ensure they pass the peer review.

Cory Swaisgood presented on this agenda item noting the results of the 2023 QAIP Internal Assessment do not require further action from the Audit Committee:

Discussion ensued amongst the committee members on this item:

In closing, Michael Abouserhal suggested the Audit Committee review the 2021 peer review report to address any items before the next peer reviewers arrive.

f. Review of Audit Staff's Continuing Professional Education Credits

Michael Abouserhal noted that it is the Audit Committee's responsibility to ensure Internal Audit staff comply with continuing education requirements. He pointed out that, based on the document provided, it appears they are in compliance and found the document helpful.

There was no further discussion.

g. Committee Reminders/Updates

Michael Abouserhal clarified this is an administrative item, not requiring approval, but rather a reminder. Cory Swaisgood reminded the Committee on resident independence forms, 2025 Audit Committee Meetings, and the Audit Committee Calendar

Richard Molina asked questions and discussion ensued on the Audit Committee and Department's involvement with the external auditor. Cory Swaisgood and Michael Abouserhal answered, accordingly.

h. Released Reports

This item was not discussed at the meeting.

i. Status of Current Engagements

Joshua Ault provided a brief update on the status of current engagements, including the budget versus actual hours.

Discussion ensued amongst the committee members pertaining to the item.

j. Current/Emerging Risks

This item was not discussed at the meeting.

k. Chairperson Appointment

Michael Abouserhal noted the committee needs to appoint the interim chair to fulfill the role between January 1, 2025, and the first meeting when the chair is appointed for the remainder of 2025. Salvatore Talarico recommended Keith Libman.

Meltrice Sharp motioned to approve the recommendation of Keith Libman as the Interim Chair of the Audit Committee for the first month of 2025; Trevor McAleer seconded. The motion to approve the recommendation was approved. Keith Libman abstained from voting.

Salvatore Talarico expressed appreciation to Mike Abouserhal for his leadership and insight.

9. Public Comment – Unrelated to Agenda

There was no public comment unrelated to items on the agenda.

10. Next Meeting – Friday, January 31, 2025, 9:00 AM – 12:00 PM

11. Adjournment

County Executive Chris Ronayne introduced himself and expressed his gratitude to the committee members, specifically acknowledging the outgoing chair, Michael Abouserhal. He thanked him for his ten years of service to the county and presented a resolution recognizing his outstanding contributions.

Meltrice Sharp motioned to adjourn the meeting; Trevor McAleer seconded. The motion to adjourn the meeting was unanimously approved at 12:05 p.m.

(signature on file)

Keith Libman, Chair (eff. 1/31/2025)

KL/ts