

Minutes
CUYAHOGA COUNTY
AUDIT COMMITTEE
REGULAR MEETING
Tuesday, November 30, 2021, 9:00 AM – 12:00 PM

1. Call to Order – meeting of November 30, 2021

The meeting was called to order at 9:04 a.m.

2. Roll Call

Attending:

Audit Committee Chairman, Michael Abouserhal

Keith Libman

Trevor McAleer (alternate for Pernell Jones, Jr.)

Yvette Ittu

Salvatore Talarico

County Fiscal Officer Michael Chambers

County Executive Armond Budish

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 2, 2021

- a. Discussion on timeline for preparation of minutes

Monica Houston addressed the committee regarding the preparation of minutes. Committee members asked questions of Ms. Houston pertaining to the item, which she answered accordingly. Committee requested that DIA present a formal proposal for recording the minutes at the next meeting.

Keith Libman motioned to approve the September 2, 2021 minutes; Trevor McAleer seconded. The motion to approve the September 2, 2021 minutes was unanimously approved.

5. Executive Session (As Necessary)

None.

6. Old Business:

a. Follow-up Items from 3rd Quarter Meeting

Monica Houston and Mark Musson addressed the committee regarding their respective follow-up items. Committee members asked questions pertaining to the items, which were answered accordingly. As a follow up to DIA's presentation to COIT, the Committee requested that DIA review the OIG Follow-Up Report on Development Loans when it becomes available. The Committee further requested that a Sub-committee be formed to further address the Jurisdictional Authority concern. Additionally, the Committee requested that the topics of audit coverage transparency and unrestricted access to records be included on the Agenda for the Q1 2022 meeting. No further discussion or questions were raised.

b. Bank Reconciliation

Leigh Tucker, Deputy Fiscal Officer, addressed the Audit Committee regarding the bank reconciliation and relative write off including any legal requirement for Council approval. Committee members asked questions of Ms. Tucker pertaining to the item, which she answered accordingly. Ms. Tucker provided confirmation that there would not be any additional write-offs related to pre-2020 transactions after the recommended \$2 million write off. No further discussion or questions were raised.

c. External Auditor Transition Update

Leigh Tucker, Assistant Fiscal Officer, reported that a transition meeting will occur in the next two to three weeks. No further discussion or questions were raised.

d. 2020 Financial Audit Update and Exit Conference with AOS

Leigh Tucker indicated that the Auditor of State expects to wrap up their work and have a draft report prepared by December 3rd, 2021. No further discussion or questions were raised.

e. Budget Update

Monica Houston presented an update on the 2022/2023 Budget. No further discussion or questions were raised.

7. Other Business:

a. Independent Peer Review Report

George Shemo and David MacCabe presented the Department of Internal Auditing External Quality Assessment. . Mr. Shemo discussed the overall opinion that the Department of Internal Auditing “Generally Conforms” with the Standards and the IIA Code of Ethics. He thereafter opened the floor to questions and discussion amongst the Audit Committee members ensued. The Committee requested that the Office of Inspector General deliver a presentation to the Committee on their role and responsibilities especially relative to ethics compliance. No further discussion or questions were raised.

b. Review of Audit Staff’s Continuing Professional Education Credit

Monica Houston presented an update on audit staff’s professional education credit.

Salvatore Talarico motioned to approve the Audit Staff’s Continuing Education Credits Update report; Keith Libman seconded. The motion to approve the Audit Staff’s Continuing Education Credits Update report was unanimously approved.

c. Review and approve 2022 Risk Assessment

Jeremy Hejnal, Senior Staff Auditor, presented the 2022 risk assessment report. Committee members asked questions of Mr. Hejnal pertaining to the item, which he answered accordingly.

Salvatore Talarico motioned to approve the 2022 Risk Assessment; Keith Libman seconded. The motion to approve the 2022 Risk Assessment was unanimously approved.

d. Discuss and tentatively approve 2022 Audit Plan

Monica Houston presented the 2022 Audit Plan and discussion ensued amongst the Audit Committee members.

Salvatore Talarico motioned to approve the tentative 2022 Audit Plan with the conditions of removing the Jail Operations Compliance Review and assigning the Ethics Review with a newly established contingent category (“later review”); Keith Libman seconded. The motion to approve the tentative 2022 Audit Plan was unanimously approved.

e. Semi-annual Audit Issue Update

Due to time constraints, the Semi-annual Audit Issue Update is to be presented at first quarter 2022 meeting.

f. Resident Member Annual Independence Statements

Monica Houston advised that Annual Independence Statements will be provided along with a copy of the completed 2021 statement to be returned to the IG as previously approved. No further discussion or questions were raised.

g. Upcoming Audit Committee Member Reappointment

Michael Abouserhal indicated that Yvette Ittu’s term is up for renewal. No further discussion or questions were raised.

h. 2021 Audit Plan Update

Trevor McAleer requested that Monica Houston speak with Andy Johnson, County CIO, to see if he thinks DIA needs to perform a review of ERP Capitalization Costs. No further discussion or questions were raised.

i. Status of Current Engagements

Michael Abouserhal requested Monica Houston defer discussion over the Benford's Law annual audit to a future meeting. Ms. Houston indicated there were two engagements in progress and still in the planning phase:

- Department of Senior and Adult Services
- Cuyahoga Emergency Communications System

No further discussion or questions were raised.

j. Current/Emerging Risks

Monica Houston presented a brief update on current/emerging risk relative to GASB 87. There was some discussion relative to the level of effort necessary for the County to comply with the standard. No further discussion or questions were raised.

8. Public Comment – Unrelated to Agenda

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

9. Next Meeting – TBD.

10. Adjournment

Salvatore Talarico motioned to adjourn the meeting; Keith Libman seconded. The motion to adjourn the meeting was unanimously approved at 12:19 p.m.

(signature on file)

Michael Abouserhal, Chair

MA/mh