

**CARSON CITY CONSOLIDATED MUNICIPALITY  
NOTICE OF MEETING OF THE  
AUDIT COMMITTEE**

**Day:** Tuesday  
**Date:** January 29, 2019  
**Time:** Beginning at 3:30 pm  
**Location:** Community Center, \*Bonanza Room  
851 East William Street  
Carson City, Nevada

**REVISED AGENDA\***

**1. Call to Order**

**2. Roll Call**

**3. Public Comments and Discussion:**

The public is invited at this time to comment on and discuss any topic that is relevant to, or within the authority of, the Carson City Audit Committee. In order for members of the public to participate in the Committee's consideration of an agenda item, the Committee strongly encourages members of the public to comment on an agenda item during the item itself. No action may be taken on a matter raised under public comment unless the item has been specifically included on the agenda as an item upon which action may be taken.

**4. For Possible Action: Approval of Minutes – October 23<sup>rd</sup>, 2018**

**5. For Possible Action: Adoption of Agenda**

**6. Meeting Items**

6.A For Possible Action: Discussion and possible action regarding the monitoring, review and closure of internal audit findings and/or recommendations included in the Audit Findings Tracking Report and provide a recommendation to the Board of Supervisors to close completed findings and/or recommendations. (Sheri Russell, SRussell@carson.org)

Staff Summary: City staff will discuss the monitoring, review and closure of the previous internal auditor findings and/or recommendations included in the Audit Findings Tracking Report.

6.B For Possible Action: Presentation by Eide Bailly on the Risk Assessment for the Audit Committee's consideration, discussion, and possible recommendation on future procedures. (Sheri Russell, srussell@carson.org)

Staff Summary: The Audit Committee directed Eide Bailly to perform a Risk Assessment at the July 30, 2018 meeting. Eide Bailly, LLP will present their Risk Assessment and

recommendations to the Audit Committee for discussion and possible recommendations on future procedures.

6.C For Discussion Only: To provide an update on agreed upon procedures performed by Eide Bailly regarding the Fire Overtime Study and the Temporary Staffing Study. (Sheri Russell, SRussell@carson.org)

Staff Summary: Representatives from Eide Bailly, LLP will be providing an update regarding the agreed upon procedures for the Fire Overtime Study and the Temporary Staffing Study.

6.D For Discussion Only: To consider dates for the next meeting of the Audit Committee.

## **7. Public Comment:**

The public is invited at this time to comment on any matter that is not specifically included on the agenda as an action item. No action may be taken on a matter raised under this item of the agenda.

## **8. For Possible Action: To Adjourn**

---

Agenda Management Notice - Items on the agenda may be taken out of order; the public body may combine two or more agenda items for consideration; and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.

Titles of agenda items are intended to identify specific matters. If you desire detailed information concerning any subject matter itemized within this agenda, you are encouraged to call the responsible agency or the City Manager's Office. You are encouraged to attend this meeting and participate by commenting on any agenda item.

Notice to persons with disabilities: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the City Manager's Office in writing at 201 North Carson Street, Carson City, NV, 89701, or by calling (775) 887-2100 at least 24 hours in advance.

To request a copy of the supporting materials for this meeting contact Emily Toups at etoups@carson.org or call (775) 887-2133.

This agenda and backup information are available on the City's website at [www.carson.org](http://www.carson.org), and at the Finance Office - City Hall, 201 N. Carson Street, Ste 3, Carson City, Nevada (775) 887-2133.

This notice has been posted at the following locations:

Community Center 851 East William Street

City Hall 201 North Carson Street

Carson City Library 900 North Roop Street

Community Development Permit Center 108 Proctor Street

<http://notice.nv.gov>

\* Due to renovations in the Sierra Room, the location of this meeting has been moved to the Bonanza Room on the east side of the Community Center. All other aspects of the agenda remain the same.

**CARSON CITY AUDIT COMMITTEE**  
**Minutes of the October 23, 2018 Meeting**

**Page 1**

**DRAFT**

A regular meeting of the Carson City Audit Committee was scheduled for 3:30 p.m. on Tuesday, October 23, 2018 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

**PRESENT:** Chairperson Stephen Ferguson  
Member Lori Bagwell  
Member Ernie Mayhorn

**STAFF:** Nancy Paulson, City Manager  
Sheri Russell, Chief Financial Officer  
Dan Yu, Chief Deputy District Attorney  
Kathleen King, Chief Deputy Clerk

**NOTE:** A recording of these proceedings, the committee's agenda materials, and any written comments or documentation provided to the Clerk, during the meeting, are part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

**1 - 2. CALL TO ORDER AND ROLL CALL (3:34:33)** - Chairperson Ferguson called the meeting to order at 3:34 p.m. Ms. King called the roll; a quorum was present. Vice Chairperson Bertrand and Member Strasburg were absent.

**3. PUBLIC COMMENTS AND DISCUSSION (3:34:52)** - Chairperson Ferguson entertained public comment; however, none was forthcoming.

**4. POSSIBLE ACTION ON APPROVAL OF MINUTES - July 31, 2018 (3:35:34)** - Chairperson Ferguson introduced this item, and entertained a motion. **Member Mayhorn moved to approve the minutes, as presented. Member Bagwell seconded the motion. Motion carried 3-0.**

**5. POSSIBLE ACTION ON ADOPTION OF AGENDA (3:36:20)** - Chairperson Ferguson introduced this item, and entertained modifications to the agenda. Ms. Russell advised that item 6(D) would be a discussion-only item. Chairperson Ferguson entertained additional modifications to the agenda and, when none were forthcoming, deemed the agenda adopted as published.

**6. PUBLIC MEETING ITEMS:**

**6(A) DISCUSSION AND POSSIBLE ACTION REGARDING THE MONITORING, REVIEW, AND CLOSURE OF INTERNAL AUDIT FINDINGS INCLUDED IN THE AUDIT FINDINGS TRACKING REPORT AND TO PROVIDE RECOMMENDATIONS TO THE BOARD OF SUPERVISORS FOR CLOSURE OF COMPLETED PROJECTS (3:37:15)** - Chairperson Ferguson introduced this item, and Ms. Russell presented the agenda materials. Ms. Russell responded to questions throughout the presentation, and extensive discussion took place regarding each of the internal audits. Chairperson Ferguson entertained a motion. **Member Bagwell moved to close the items, as recommended on the spreadsheet presented. Member Mayhorn seconded the motion. Motion carried 3-0.**

**CARSON CITY AUDIT COMMITTEE**  
**Minutes of the October 23, 2018 Meeting**

**Page 2**

**DRAFT**

**6(B) POSSIBLE ACTION TO PROVIDE DIRECTION, UPON REVIEW OF AGREED-UPON PROCEDURES, TO EIDE BAILLY AND STAFF REGARDING THE FIRE OVERTIME STUDY AND THE TEMPORARY STAFFING STUDY CURRENT AUDIT WORK PROGRAM UPDATE (4:05:14)** - Chairperson Ferguson introduced this item, and Eide Bailly Partner Dan Carter presented the agenda materials in conjunction with displayed slides. Mr. Carter, Fire Chief Sean Slamon, and Ms. Russell responded to questions of clarification, and discussion ensued. In response to a question, Mr. Carter acknowledged sufficient direction. No formal action was taken.

**6(C) POSSIBLE ACTION TO PROVIDE DIRECTION, UPON DISCUSSION WITH CHIEF INFORMATION OFFICER ERIC VON SCHIMMELMANN, REGARDING CYBERSECURITY PROCEDURES TO EIDE BAILLY LLP AND STAFF (4:34:51)** - Eide Bailly Partner Dan Carter presented the agenda materials for this item. Mr. Carter and Chief Information Officer Eric Von Schimmelman responded to questions of clarification. No formal action was taken.

**6(D) POSSIBLE ACTION REGARDING A PRESENTATION BY EIDE BAILLY ON THE RISK ASSESSMENT FOR THE AUDIT COMMITTEE'S CONSIDERATION, DISCUSSION, AND POSSIBLE RECOMMENDATION ON FUTURE PROCEDURES (4:41:15)** - Chairperson Ferguson introduced this item, and Eide Bailly Partner Dan Carter presented the agenda materials in conjunction with displayed slides. Mr. Carter and Ms. Russell responded to questions of clarification, and discussion followed.

In response to a question, Mr. Carter reviewed projects to be reported on at the next committee meeting. A brief discussion took place to schedule the next committee meeting, and consensus indicated 3:30 p.m. on Tuesday, January 29, 2019.

**7. PUBLIC COMMENT (5:02:08)** - Chairperson Ferguson entertained public comment; however, none was forthcoming.

**8. ACTION TO ADJOURN (5:02:26)** - Chairperson Ferguson adjourned the meeting at 5:02 p.m.

The Minutes of the October 23, 2018 Carson City Audit Committee meeting are so approved this \_\_\_\_\_ day of January, 2019.

---

STEPHEN FERGUSON, Chair



# STAFF REPORT

Report To: Audit Committee

Meeting Date: January 29, 2019

Staff Contact: Sheri Russell, Chief Financial Officer

Agenda Title: For Possible Action: Discussion and possible action regarding the monitoring, review and closure of internal audit findings and/or recommendations included in the Audit Findings Tracking Report and provide a recommendation to the Board of Supervisors to close completed findings and/or recommendations. (Sheri Russell, SRussell@carson.org)

Staff Summary: City staff will discuss the monitoring, review and closure of the previous internal auditor findings and/or recommendations included in the Audit Findings Tracking Report.

Agenda Action: Formal Action/Motion

Time Requested: 15 minutes

## Proposed Motion

Will depend on the discussion. I move to [continue the monitoring and review of the items as discussed or] recommend to the Board of Supervisors closing the items discussed based on the correction of findings and recommendations included in the Audit Findings Tracking Report.

## Board's Strategic Goal

Efficient Government

## Previous Action

N/A

## Background/Issues & Analysis

October 23, 2018 - Staff brought the list of findings and/or recommendations to the Committee, and several of the items were deemed corrected, and closed at the November 15, 2018 Board of Supervisors meeting.

## Applicable Statute, Code, Policy, Rule or Regulation

N/A

## Financial Information

Is there a fiscal impact?  Yes  No

If yes, account name/number:

Is it currently budgeted?  Yes  No

Explanation of Fiscal Impact:

## Alternatives

N/A

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_

2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)

Carson City  
Internal Audit Summary  
January 29, 2019

**Carson City - Audit Findings Tracking Summary Report (revised 11-16-18)**

Report Name	Report Submittal	BOS Report Approval	Reporting Entity	Report Findings	Completed Findings	AC Approval	BOS Approval	Notes
Community Facility Cost Recovery Study	11/28/2012	1/17/2013	Internal Auditor	15	15			1 open finding
Community Facility Cost Recovery Eagle Valley Gol	10/3/2012	5/16/2013	Internal Auditor	4	4			
Fleet Management Efficiency Study	6/22/2013	7/18/2013	Internal Auditor	24	24			
Fleet Utilization Study	1/30/2014	4/3/2014	Internal Auditor	12	12			
Employee Efficiency Study	11/25/2014	12/4/2014	Internal Auditor	27	27			
Internal Controls Review	3/31/2015	6/4/2015	Internal Auditor	42	42	4/21/2015	11/15/2018	
Performance Measures Development	6/3/2015		Internal Auditor	1	0	6/7/2016		
Policy and Procedures Review	3/22/2016		Internal Auditor	5	5		12/21/2017	
Payroll Internal Controls Testing	7/27/2016	12/21/2017	Internal Auditor	2	2	8/8/2016	11/15/2018	
P-card Internal Controls Testing	7/27/2016	12/21/2017	Internal Auditor	2	2	8/8/2016	11/15/2018	
Small Works Projects Review	2/17/2017	12/21/2017	Internal Auditor	4	4	2/14/2017	12/21/2017	
Public Guardian Review	5/1/2017	12/21/2017	Internal Auditor	13	13	5/9/2017	11/15/2018	
Purchasing and AP Internal Controls Testing	7/6/2017	12/21/2017	Internal Auditor	12	12	7/12/2017	11/15/2018	
HTE Access Controls Testing	9/26/2017	12/21/2017	Internal Auditor	7	7	10/3/2017	12/21/2017	
FY 2014 CAFR	12/18/2014	12/18/2014	External Auditor	5	5	3/22/2016	12/18/2014	
FY 2015 CAFR	12/17/2015	12/17/2015	External Auditor	5	5	3/22/2016	12/17/2015	
Capital Projects Process Review	5/3/2018		Internal Auditor	8	0	5/10/2018		
Public Guardian Follow Up Review	5/3/2018		Internal Auditor	8	4	5/10/2018		
FY 2017 CAFR and Single Audit	11/30/2017	12/21/2017	External Auditor	4	3	5/10/2018		
FY 2018 CAFR and Single Audit	12/6/2018		External Auditor	3		12/6/2018		
<b>Total (including archived reports)</b>				203	186			

Legend:

- Report Submittal = date report submitted to City
- BOS Report Approval = date report adopted by BOS
- Reporting Entity = organization that prepared the report
- Report Findings = number of findings in the report
- Completed Findings = number of findings completed by management
- AC Approval = Audit Committee approval of completed findings
- BOS Approval = Board of Supervisors approval of completed findings
- Notes = notes about findings

Findings Addressed - project closed
Partially Addressed items
Not yet addressed

Carson City  
Capital Projects Process Review  
05-02-18

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
1	5/3/2018	NDN	Develop and utilize a scorecard that establishes objective criteria to assist in the evaluation of capital projects during the capital planning selection process.	PW		<p><b>Course of Action-</b> Use current scorecard for sewer CIPs and modify and determine objective criteria to evaluate water and stormwater CIPs (Feb 2019). Scorecards will be prepared for utility project CIPs in time for each year's budget planning period (typically around January/February). We will also plan on developing a scorecard for facility projects (Feb 2020). Ultimate goal is to use data collected through asset management program (work orders, maintenance costs, condition, etc.) to feed CIP decisions</p> <p><b>Expected Benefits-</b> Use of objective data/criteria will help us make effective data driven decisions and improve transparency in the CIP planning process.</p>			P	Feb 2019		<p>We have developed a scorecard for sewer CIP projects and are in the process of developing scorecards for water and stormwater capital projects to be ready for next FY budget planning period (Feb 2019). These scorecards evaluate projects and rank/prioritize using objective data such as age of pipe, material, condition, capacity, maintenance cost, street classification, risk of failure, consequence of failure, etc.</p> <p><u>January 2019 Update-</u> On track with scorecards for sewer, water and stormwater projects to prioritize CIPs for this coming fiscal year (FY 2020). Scorecard for facility projects to be developed in Feb. 2020.</p>
2	5/3/2018	NDN	Cultivate a Project Management Manual that provides standardized templates, checklists, forms, and best practice guidance.	PW		<p><b>Course of Action-</b> Create a project management checklist that guides PMs through all required steps to successfully complete a project. This checklist will reference other project management related documents that offer more detail on specific stages of project management (project initiation forms, guidelines to setting up project in Smartsheet, creating project schedules, QA/QC for projects, project closeout). The checklist will be placed in the project folder and be required to be completed for each CIP.</p> <p>The checklist in combination with specific documents and forms related to project management will be located in a central site on the network and be considered the "Project Management Manual". There is no plan at this time to create an actual manual.</p> <p><b>Expected Benefits-</b> Lead to better management of capital projects</p>			P	PM Manual (July 2019)		<p>In process of developing a project management checklist for project managers to complete for each CIP. This checklist will track from project initiation to closeout. This checklist will reference to other PM documents related to different stages of the project (project initiation forms, guidelines to setting up project in Smartsheet, creating project schedules, QA/QC for projects, project closeout). A draft of checklist has been developed and is currently in circulation for comments. We anticipate checklist to be completed and in-use by Jan 2019.</p> <p>After completion of PM checklist, the checklist in combination with specific documents and forms related to project management will be located in a central site on the network and be considered the "Project Management Manual". There is no plan at this time to create an actual manual.</p> <p><u>January 2019 Update-</u> The decision was made in December 2018 to create a formal project management manual. A working group, consisting of different personnel across public works that is involved with various stages of capital projects, was formed to help develop the contents of the manual. The manual is about 1/3 of the way done and will be complete in time to manage next fiscal year's capital projects (July 2019). This manual will include standardized templates, checklists, forms and best practice guidance as initially recommended by auditor. (See all PM Manual References Below)</p>



Carson City  
Capital Projects Process Review  
05-02-18

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
3	5/3/2018	NDN	Subscribe to Electronic Signature Services to expedite the contract approval process.	PW		<p><b>Course of Action-</b> Public Works will have the discussion with Purchasing &amp; Contracts to see what options are available for electronic signature implementation. Discussion will occur in Fall 2018 and then decision will be made on whether to pursue or not</p> <p><b>Expected Benefits-</b> If implemented, the contract approval process would be expedited</p>			N	October 2019		<p>We do spend a great amount of time collecting signatures and passing documents around, so exploring electronic signature options may be beneficial. Public Works will have the discussion with Purchasing &amp; Contracts to see what options are available. Discussion will occur in Fall 2018. - New ERP System will definitely have electronic approvals as well as some electronic signature options. We would like to wait until we are farther along in the implementation process.</p> <p><u>January 2019 Update-</u> Meeting was held in Fall 2018 and decision was made to wait until new ERP system is rolled out. The ERP system will include electronic approvals as well as some electronic signature options.</p>
4	5/3/2018	NDN	Utilize a single unique identifier for projects to ensure documentation clearly references each project.	PW		<p><b>Course of Action-</b> Modify documents internal to public works to include project number along with contract number. The Public Works Financial Analyst does currently keep a contract register which does relate all contracts back to their unique project numbers, so the current method does work for searches/tracking, but could be improved. Discuss with Finance, Purchasing &amp; Contracts and Public Works Financial Analyst to discuss options to be consistent with our project naming and unique identifier. Review ERP system capabilities to see if new system may lead to better tracking and streamline document searches in future.</p> <p><b>Expected Benefits-</b> Improve project document tracking and searches</p>			Y	Nov 2018		<p>We currently assign single unique identifiers to projects, however these project numbers don't get referenced in all construction documents such as design or construction contracts (only contract numbers used). The Public Works Financial Analyst does keep a contract register, which links all contracts back to their associated unique project numbers. Therefore, everything can be searched and tracked with some effort.</p> <p>We are in the process of modifying public works related construction documents (i.e. project completion memos and other documents used for construction management during construction) to reference both project numbers and contract numbers. We will plan on discussing with Finance, Purchasing &amp; Contracts and Public Works Financial Analyst to discuss options to be consistent with our project naming and unique identifier. Plan on holding these discussions in fall of 2018. This process may also be improved with the capabilities/features of the new ERP system.</p> <p>The project number assigned by Finance is supposed to be included on contracts with the account number. The new ERP system will allow for contract, payments, purchase orders, payroll and grants to be tied to specific projects. It also has the ability to store pertinent documents with the project.</p> <p><u>January 2019 Update-</u> All contract documents have been modified to make reference to contract number and project number to easily help Finance, Contracts and Public Works Department clearly track public works related construction documents through life of a project. The new ERP system will help make this tracking even better.</p>

Carson City  
Capital Projects Process Review  
05-02-18

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
5	5/3/2018	NDN	Explore system support for staff payroll on capital projects to enable more efficient and effective tracking of Public Works staff time.	PW		<b>Course of Action-</b> Continue to learn more about the capabilities of the new ERP system. When ERP system is implemented and staff is trained, we will have the capabilities to provide more efficient and effective tracking of Public Works staff time. Anticipate ERP implementation to occur in next 12 months <b>Expected Benefits-</b> Enable more efficient and effective tracking of Public Works staff time.			N	July 2020		The new ERP system will allow time entry for projects directly in the system. This will eliminate the necessity for the current method of keeping a separate project time sheet and then doing a journal entry to do the direct billing for Public Works Staff time.  In the meantime, we will work to update project timesheets more regularly to better track project costs in "real time"
6	5/3/2018	NDN	Clearly identify and separate capital project documents to properly track contract modifications.	PW		<b>Course of Action-</b> Modify or create new guidelines/policy that outline and clearly specify bid, conformed and contractual documents for each project. These guidelines will integrate with the project management checklist referred to in item #2.  <b>Expected Benefits-</b> Improve organization of project documents			P	(PM Manual) July 2019		Public Works staff is currently working on modifying project management procedural documents to clearly define and distinguish between bid documents, conformed documents and contract documents and to specify the location of where each of these document types should be filed in the project folder. These procedures will integrate with the project management checklist referred to in item #2. Properly designating the contract documents will help identify and track any changes made or modified via addenda  <b>January 2019 Update-</b> Public Works has completed developing specific folder locations and guidelines for project managers to follow to place bid documents, conformed documents and contract documents. This process will also be added to the PM Manual to be completed in July 2020
7	5/3/2018	NDN	Expand capital project close-out processes to include a review of project costs, deliverables, and required documentation.	PW		<b>Course of Action-</b> Create step-by-step procedure document outlining proper project close-out. These guidelines will integrate with the project management checklist referred to in item #2.  <b>Expected Benefits-</b> Improve close-out of projects and improve organization and how we manage projects in the future			P	(PM Manual) July 2019		A draft step-by-step procedure document outlining proper project close-out has been created and is currently in circulation for comments. We anticipate this close-out procedure to be completed and in-use by Jan 2019.  This will be added as step in the project management checklist <b>January 2019 Update-</b> Public Works has completed developing document outlining proper project close-out. This will formally be included as part of the PM Manual to be completed in time for next fiscal year projects.
8	5/3/2018	NDN	Create a project postmortem process to continuously improve capital project efficiencies.	PW		<b>Course of Action-</b> Create a standard form that addresses lessons learned related to construction issues, quality control, external department coordination (for projects where public works PMs run a project for Parks department), comparing final outcomes to scope, cost outcomes, performance measures, and project objectives (such as milestones/targets). This document will integrate with the project management checklist referred to in item #2.  This postmortem form will be required to be completed by PMs before a project can be closed out. <b>Expected Benefits-</b> Improve future management of projects			P	(PM Manual) July 2019		This will be added as a step in the project management checklist and be required for PMs to complete before closing out project. A standard form will be developed that addresses lessons learned related to construction issues, quality control, external department coordination (for projects where public works PMs run a project for Parks department), comparing final outcomes to scope, cost outcomes, performance measures, and project objectives (such as milestones/targets).  This postmortem form will be required to be completed by PMs before a project can be closed out  <b>January 2019 Update-</b> A draft document outlining proper project debrief process has been created by Public Works. This will formally be included as part of the PM Manual to be completed in time for next fiscal year projects.

Carson City  
Public Guardian Update Procedures  
05-02-18

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Rec No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
2	5/3/2018		2		To ensure Public Guardian staff operate at their highest and best use, consider establishing a list of pre-qualified, on-call hourly contractors to assist with ward transportation needs.			Working on a plan to hire an on-call list of qualified persons to assist with transportation of clients.			Y	12/31/2018	1/15/2019	This is done, we are adding in our SOP binder and adding more as we can. We have two licenced, bonded and insured transport, in addition the Public Guardian or Deputy Case Mgr can act as backup if required and we continue to search for additional vendors that meet comlience and safty standards.
3	5/3/2018		3		Ensure all files are maintained in fire-proof file cabinets by destroying files of wards deceased 7 or more years.			Currently all files of deceased clients or closed files are kept for 7 years and are stored in the basement storage room in City Hall.			P	Ongoing	3/31/2019	File cabinets with client info is locked, banker boxed for storage unit files , most have been labled for destroy date according to state guidelines. The cost of fireproof cabinets is cost prohibitive for the PG office, cost is approximately \$3000.00 for a four drawer file. All measures are being made to be paperless going forward.
6	5/3/2018		6		Establish dual control entry requirements to the storage unit through an updated combination lock system.						Y		1/18/2019	Done. Also as an added measure City Mgr and Deputy City Mgr each have the code to one lock in a sealed envelope for emergencies.
7	5/3/2018		7		Consider developing standard contracts with approved vendors for asset liquidation.			When we next have a house to liquidate we will have a signed contract with the vendor chosen.			Y		11/1/2018	We have a bid process for selling assets with realtors as well as any part of estate clean up and liquidation, adding to SOP vendor list that is licenced and bonded.

Carson City  
 FY 2017 Audit Findings  
 November 30, 2017

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
4			2017-002	The City's Finance Department did not have adequate procedures in place to ensure that all contracts entered into were in compliance with the applicable provisions.	The Transportation Division of the Carson City Public Works Department should enhance internal controls to ensure that all contracts under Federal awards follow the applicable provisions.			Eide Bailly, our new Internal Auditor has been contracted to do a special review of the Public Works Contracting procedures, relating to grants, in order to ensure the finding is corrected for future audits. Projects are no hold until these procedures are performed.	\$10,400	0	Y	12/31/18		Several entities got the same finding from Eide Bailey, so they can help clean up our procedures to ensure we don't make the same mistake going forward. UPDATE: Eide Bailly completed their procedures, we had a meeting to go over policy changes related to those recommendations on October 30th, and are now reaching out to Washoe County and other local governments to determine their response to the finding, before we make a final determination. <u>January</u> <u>Update:</u> Auditors cleared finding, none of the other entities claim to have recieved the same finding, and all agencies have similar procedures. Pass on futher action.

Carson City  
FY 2018 Audit Findings  
November 30, 2018

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
1			2018-001	Financial Statements may be materially misstated s a result of ineffective review of complicated and/or non-reoccurring journal entries and other similar transactions	More attention and thoughtful consideration be given to the suprvision and review of complicated, individually material and/or non-reoccurring journal entries.			Carson City will ensure that implementations of new standards which can be challenging or non-recurring transactions are implemented and reviewed by the appropriate staff level	\$ -	0	N	6/30/2019		We had quite a few staffing changes in the finance department at June 30, 2018, so in order to get information ready timely, whoever had available time, did the work. We are fully staffed, and everyone is training in their new positions, I suspect FY19 will be a much smoother process and the appropriate staff will be able to take on new GASB implementations and it will be reviewed by the CFO instead of prepared by the CFO.
2			2018-002	Financial Statements may be materially misstated as a result of the failure to appropriately, and timely, communicate significant transactions and/or contractual changes between various operational departments and the Finance Department.	Finance Department attend and or review minute of various meeting and committees to ensure awareness of what is going on. As well as a greater degree of person to person communication between finance and other departments.			Management will be more involved in the meetings and committees to ensure we are aware of new agreements, in addition, the fire department is updating their SOP's to ensure Finance is aware of all new agreements within 5 days of the execution of a new agreement or amended agreement.	\$ -	0	P	6/30/2019		An amendedment was done on a Medicare Contract with significantly increased the amount of revenue the City was going to receive. The agreement was executed on November 17th, and we issued our FY17 audit report on November 30th. The auditor maintains that we should have known and accrued the revenue as a receivable. Finance did not recieve a copy of the amended cotract until October 2018. We had quite a few staffing changes in Finance over the last year, we are now fully staffed, and this should not happen as we move forward.
3			2018-003	Failure to appropriately verify entity status and not dearred, suspended, or otherwise excluded from or ineligible for partiipation in Federal assistance programs or acivities prior to entering into a covered transaction	City should verify that an entity is not debarred, suspended or otherwise excluded from or ineligible for participation in Federal assistance programs or activity before entering into a covered transaction.			Purchasing & Contracts Department will verify debarment and suspension status on the System for Award Management (SAM) website. Moving forward a pdf print screen will be saved electronically and a paper copy will be included in the contract project file as supporting documentation. The contract will not be executed until the verification is complete.	\$ -	0	P	6/30/2019		There was a staffing change in FY18, I believe this was a procedure that got lost when the staffing change occurred. We will also update procedures for the purchasing and contracts position to indicate that this must be completed and documented prior to executing the contract.

This page is intentionally left blank.



# STAFF REPORT

Report To: Audit Committee

Meeting Date: January 29, 2019

Staff Contact: Dan Carter, Partner, Eide Bailly, LLP

Agenda Title: For Possible Action: Presentation by Eide Bailly on the Risk Assessment for the Audit Committee's consideration, discussion, and possible recommendation on future procedures. (Sheri Russell, srussell@carson.org)

Staff Summary: The Audit Committee directed Eide Bailly to perform a Risk Assessment at the July 30, 2018 meeting. Eide Bailly, LLP will present their Risk Assessment and recommendations to the Audit Committee for discussion and possible recommendations on future procedures.

Agenda Action: Formal Action/Motion

Time Requested: 15 minutes

## Proposed Motion

I move to accept the Risk Assessment as presented.

## Board's Strategic Goal

Efficient Government

## Previous Action

July 30, 2018 - The Audit Committee directed Eide Bailly's to perform a Risk Assessment over Carson City.

## Background/Issues & Analysis

Previous Risk Assessment performed in 2012

## Applicable Statute, Code, Policy, Rule or Regulation

N/A

## Financial Information

Is there a fiscal impact?  Yes  No

If yes, account name/number:

Is it currently budgeted?  Yes  No

Explanation of Fiscal Impact:

## Alternatives

N/A

**Board Action Taken:**

Motion: \_\_\_\_\_

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)



**DRAFT**

**2018 Risk Assessment:**  
**Carson City**

*Prepared by:*

**Eide Bailly LLP**

---

## TABLE OF CONTENTS

Risk Assessment	3
Audit plan	8
Appendix A – Contact List	10
Appendix B – Risk Assessment Results	12

DRAFT

---

## RISK ASSESSMENT

Internal Audit departments operate using guidance provided by the International Professional Practices Framework (IPPF) published by the Institute of Internal Auditors. Standards of the IPPF address planning and indicate that risk-based plans should determine the priorities of the internal audit activity, consistent with the organization's goals. The internal audit activity's plan of engagements must be based on a documented risk assessment, undertaken at least annually. The input of senior management and the Audit Committee must be considered in this process.

This report describes how Internal Audit analyzed the City's risk environment, prioritized audit areas, and prepared the annual Audit Plan. The contents of this report are based on the following:

- Risk, control and governance largely determine the City's ability to achieve its objectives.
- City management is responsible for managing risk by implementing internal controls and providing reasonable assurance that they are operating as intended.
- Internal Audit is responsible for assessing risk by analyzing conditions that can impair the City's ability to achieve its objectives.
- Internal Audit is responsible for developing audit plans to review controls that City management has implemented to address risks.

### What is a Citywide Risk Assessment?

The risk assessment is a means to assess various areas of the City. An auditor assessing risks to develop an audit plan or schedule while considering risks to programs and departments in a silo approach, this is designed to identify audits of a single department, program, or process. Additionally, we assess risks across the entire city to identify the risks to achieving overall City objectives. A Citywide risk assessment does not validate data or go into the same level of detail as an internal audit and should not be viewed as such.

The risk assessment and annual audit plan was developed through the completion of the following activities:

- Reviewing external financial auditor's results
- Assessing current and historical financial performance
- Discussions with Audit Committee, Senior Management, and City personnel
- Creating and distributing Citywide email survey
- Eide Bailly's general knowledge and observations of the City
- Past internal audits performed
- Information provided by the City

Risk assessment is a systematic process for utilizing professional judgments to evaluate probable adverse conditions and/or events and their potential effects on the City. The process starts with

identifying risks associated with business objectives linked through all levels of the City whether it is entity or process level.

- **Entity level** is the cornerstone for effective control. These objectives provide guidance on what the entity wants to achieve and should be consistent with budget, strategy, and business plans.
- **Process level** should align with entity level objectives but differ in that they relate directly to goal setting with specific targets and deadlines. It provides guidance for management focus.

### **Risk Assessment Methodology**

The risk assessment is the first step in determining which areas of the City has high risk factors that should be considered for inclusion in the annual audit plan. Eide Bailly developed a risk assessment approach specifically tailored for the departments, programs, and processes of the City. We began by planning and gathering data to facilitate the direction of the risk assessment and to establish the risk types.

- **Planning and Data Gathering:** We began by understanding the City's operations by gathering the City's objectives, goals, and strategies in addition to the key financial, operational, and IT processes. Eide Bailly reviewed past financial audit reports for significant deficiencies or material weaknesses for financial risks. In addition, we took into consideration documentation provided to us and past audit work performed as a starting point to developing the email survey. For listing of departments and divisions included in the annual Risk Assessment see **Appendix A**.

Based on survey responses we facilitated detailed phone discussions to gain an understanding of the current controls, process structure, personnel involved, and supporting technology. After preliminary survey's and follow up on discussions, we spoke with Audit Committee members and senior management about their roles, responsibilities, and concerns they have with the City or their operations overall.

- **Develop Risk Types:** We began by defining risk and creating a risk framework. Risk is an event or condition that can negatively affect the ability of an organization to achieve its objectives. Risks are generally thought to be associated with taking actions; however, risks can also occur when no action is taken in the form of missed opportunities. This risk assessment incorporated ten (10) types of risks:

1. **Public Exposure / Health & Safety Risks:** This measure assesses risk in terms of keeping employees and citizens data safeguarded, as well as protection from serious injury. The measure takes into consideration that protecting the safety and health of Carson City citizens and employees is the highest priority and most significant responsibility of City government.
2. **Governance and Stakeholder Risks:** Risks derived from the attitude and actions of elected officials and executive management related to accountability, transparency and continuous improvement. This measure presumes that risk is decreased based on

effective internal controls, management oversight and audit frequency, both internal and external audits.

3. **Business / Operational Risks:** Risks derived from core business practices, which rely on systems, practices, programs, and people. Within this risk domain, are risks associated with a diverse number of operational areas. Risks associated with business objectives not being met due to poorly defined business strategies, poorly communicated strategies, or the City's inability to execute these strategies due to inadequate organizational structure, infrastructure or alignment. Strategic risk is managed by appropriate organizational governance. Failure to adequately plan and execute against organizational goals may result in significant damage to the City's reputation.
4. **Reputational Risks:** Risk in terms of potential negative public relations impacts caused by the level of visibility and/or public interest in conjunction with financial or operational performance exposure resulting the City's reputation being impaired or damaged. Reputation risk includes the risk that the City may be subject to lawsuit, poor management of an operational crisis, event or specific reputation issue, or City not meeting stakeholder expectations.
5. **Liquidity and Negotiability Risks:** Risk that processes may not be effective or efficient to meet the City's regulatory obligations and liquidity needs. Failure to maintain liquidity levels and manage cash flows within established amounts to meet known and reasonable unforeseen funding requirements. City is unable to meet its commitments, including debt maturities. This measure assesses risk based on the nature and volume of cash transactions and the ease of converting assets into cash.
6. **Performance Risks:** Risks in terms of improved planning and performance management process may not be effective, efficient, or focused on core business service delivery. Performance indicators do not align with performance indicators of the City. Failure to adequately monitor and respond to third party inferior service or lack of performance.
7. **Legal and Regulatory Risks:** Risks associated with a variety of federal, state, and local laws and regulations. Failure to follow prescribed directives may result in substantial fines, restrictions, loss of business, and/or legal action.
8. **Size of Audit Unit / Human Capital Risks:** Risks associated with the type of behaviors encouraged by management; the methods used to reward employees; the approach to consistently enforce policies and procedures; the selection, screening, and training of employees; and the reason and frequency of turnover.
9. **Revenue Risk:** Risks associated with the City's financial reporting being inaccurate, incomplete, or untimely due to a variety of factors including the pace of change, the amount of uncertainty, the presence of a large error, or the pressure on management to meet certain expectations.
10. **Budgeted Expense Risk:** This measure assesses risk based on the magnitude of an entity in terms of expenditures, the amount and volume of financial transactions and the number of employees.

- **Deliver Measures and Insights:** The risk assessment uses a systematic approach that ranks numerically the most important risks to the City. A common way to determine the relative significance of each risk is to “measure” it as a combination of the likelihood or probability of it occurring, and the impact if it does occur. Using the department data, surveys to management, input from the Audit Committee, past audits performed, and financial data and reports, an impact and likelihood score was calculated to map the risk for each auditable area.
  - **Likelihood:** is calculated using several factors including.
    - Complexity of process
    - Volume of transactions known issues
    - Changes in personnel or processes
    - Level of monitoring and oversight
  - **Impact:** is calculated using several factors including
    - Financial materiality
    - Degree of regulatory compliance
    - Operational and strategic impact to City objectives
    - Number of key IT systems
    - Fraud risk

Risk scores are summarized by assigning numbers to both impact and likelihood and multiplying these numbers based on weighted factors. The high number is assigned to the high impacts/likelihoods, and the low number to the low impacts/likelihoods. However, judgment is involved in evaluating whether a risk’s likelihood and impact are low, medium, or high. Judgment along with the numerical ranking system balance the finality and certainty that exists in the scoring model.

Each of the ten (10) risk types are assigned a risk score between 0 – 10 for likelihood and a weighted multiplier between 0 – 20 for the impact. The total scores were sorted in ascending order from highest – most risky, to lowest – least risky and divided into four (4) categories:

- Low Risk: scores less than 450
- Low to Moderate Risk: scores of 450 to 489
- Moderate to High Risk: scores of 490 to 600
- High Risk: scores of 601 – 800

See **Appendix B** for listing of numerical ranking of departments by likelihood and impact of the ten (10) risk types to the City.

A high-risk score does not mean that a department is ineffectively managed, that sufficient controls are not in place, or that the function is not performing properly. A high-risk score

simply means that a negative event in that area would be particularly damaging or more likely to occur in the absence of effective controls.

The City's Audit Committee, senior management, and leadership are the responsible authority to prioritize which risks get the most attention and resources. Those charged with governance know their entity best and how best to manage the risks identified.

DRAFT

---

## AUDIT PLAN

Internal audit was set up with an annual budget affording approximately 1,550 annual audit hours. We have structured our internal audit plan to fit within proximity to this budget. The internal audit budget also includes audit hours to administer the audit function, update the risk assessment annually, and conduct follow up audits to determine if agreed upon management actions have been satisfactorily completed.

The Audit Plan provides the City with a great deal of flexibility to address emerging issues in a timely manner, hours for specially requested audits not originally captured on the plan, and for urgent audit issues that arise throughout the year. Great care is given in the selection of these audits to ensure that there is widespread audit coverage in terms of both types of audits performed and in terms of the City's vast array of departments, service areas, activities and contracts.

The hours included for each audit are an estimate. Quarterly, the plan will be reassessed and adjusted to account for unanticipated requests and progress on current audits. Audit Committee will be briefed quarterly on the status of work completed to the approved Audit Plan and any adjustments that need to be made to hours and anticipated completion dates.

Based on the results of the risk assessment, professional judgment, findings from previous audit work, and information provided by city staff, the following areas are potential audit topics for FY 2019 – FY 2020.

2019 Proposed Internal Audit Plan	Dates	Hours
<b>2019 Risk Assessment</b> – Continue to meet with department directors and elected officials to update the risks/rankings identified in the 2018 risk assessment to refine the 2019 audit plan.	On-going	150
<b>Citywide Budget Monitoring Audit</b> – To test internal control structure of the budget monitoring process to ensure approval of budget authorizations, monitoring, proper use of methods and procedures, and transactions are timely and accurate.	TBS	150
<b>Citywide Social Media Audit</b> – To determine if adequate controls over using social media as a communication tool are in place. Additionally, to evaluate the City's guidance, policies, strategy, business objectives, monitoring, governance structure, and administration of social media throughout the City as a way of communicating with the media and public.	TBS	100



<b>Citywide Audit of Fee Structure</b> – To assess whether fees for key services cover the cost of services and follow applicable legal requirements. The audit may include benchmarking against similar municipalities and assess the administration of fee waivers.	TBS	150
<b>Citywide Revenue &amp; Accounts Receivable Audit</b> – Internal Audit to assess revenue capture and collection processes. IA to identify all major sources of revenue for the City, including those that are paid indirectly through a third-party such as hotels, businesses, and the State to ensure that all charges and fees allowed by law are assessed and collected in a timely manner. Additionally, determine the entity responsible for ensuring controls over the revenue source(s) and verify the existence of strong internal controls and adequate segregation of duties.	TBS	200
<b>Tax Exempt Property Audit</b> – To evaluate the controls within the Assessor’s Office over tax exemption determination, maintenances and tax role eligibility.	TBS	150
<b>Accounts Payable Audit</b> – To evaluate the accounts payable process and controls to determine that vendors are paid timely, duplicate invoices are not paid. Additionally, review processes and controls over procurement card issuance, purchasing guidelines, and individual and department transaction/purchase compliance.	TBS	200
<b>Network Security Audit</b> – Penetration Testing and Scanning to determine whether the City’s data network is protected from unauthorized access and whether controls are effective in protecting network confidentiality, integrity, and availability.	TBS	250
<b>Administration</b> – Time to perform other procedures not otherwise associated with specific audits. Specially requested audits not originally captured on the plan, and for urgent audit issues that arise throughout the year.	Ongoing	200
<b>Total budgeted hours – 2019</b>		<b>1,550</b>

## APPENDIX A – CONTACT LIST

The scope of the Citywide Risk Assessment included the following City Departments, related Divisions and associated Programs:

Department/Division/Program	Contact	Title
<b>Assessor</b>	Dave Dawley	Assessor
<b>City Manager's Office</b>	Nancy Paulson	City Manager
Purchasing	Carol Akers	Purchasing and Contracts Administrator
Public Guardian	Deborah Marzoline	Public Guardian
<b>Clerk-Recorder</b>	Susan Merriwether	Clerk
Recorder's Office, Public Meetings & Public Records Division, Elections Department, Marriage Department	Aubrey Rowlett	Chief Deputy Clerk
<b>Community Development</b>	Lee Plemel	Community Development Director
Development Engineering	Stephen Pottey	PE, Project Manager
Building & Safety	Ray Proffitt	Building Official
Planning	Hope Sullivan	Planning Manager
Redevelopment	Lee Plemel	Community Development Director
Business License	Mariah Ziegenbein	Permit Technician
Code Enforcement	Kevin McCoy	Compliance Officer
<b>Cooperative Extension</b>	Lindsay Chichester	Extension Educator
<b>Courts - Judicial &amp; Justice/Municipal</b>	Max Cortes	Court Administrator
Court Fines & Fees, Juvenile Court, Justice Court, Alternative Sentencing		
<b>Culture &amp; Recreation</b>		
Parks	Jennifer Budge	Parks & Recreation Director
Park Maintenance	Nick Wentworth	Park Maintenance Coordinator
Recreation	Dan Earp	Recreation Superintendent
Library	Sena Loyd	Library Director
<b>District Attorney</b>	Jason Woodbury	District Attorney
<b>Finance</b>	Sheri Russell	CFO
Risk Management	Cecilia Meyer	Risk Management Coordinator
<b>Health &amp; Human Services</b>	Nicki Aaker	Director HHS
Animal Services, Environmental Health, Human Services, Housing Programs, Workforce Program		

Department/Division/Program	Contact	Title
<b>Human Resources</b>	Melanie Bruketta	Director Human Resources
<b>Information Technology</b>	Eric VonSchimmelmann	Chief Information Officer
<b>Juvenile Services</b>	Ali Banister	Chief of Juvenile Services
Juvenile Probation, Juvenile Detention		
<b>Public Safety</b>		
<b>Sheriff's Office</b>	Ken Furlong	Sheriff
Undersheriff, Administration, Business Office, Civil & Records, Communications Dispatch / 911, Detention, Investigations, Patrol	Ken Sandage	Undersheriff
<b>Fire Department</b>	Sean Slamon	Fire Chief
Administration, Operations, Prevention, Emergency Management, Emergency Medical, Training		
<b>Public Works</b>	Darren Schulz	Public Works Director
Engineering	Dan Stucky	City Engineer
Sanitation	Rit Palmer	Water Operations Supervisor
Transportation	Lucia Maloney	Transportation Manager
Utility Billing	Karen Leet	Department Business Manager
<b>Senior Center</b>	Courtney Warner	Director
<b>Treasurer</b>	Gayle Robertson	Treasurer

## APPENDIX B – RISK ASSESSMENT RESULTS

Division	#1	#2	#3	#4	#5	#6	#7	#8	#9	#10	Overall Likelihood / Impact Score
	Public Exposure	Governance & Stakeholder Risk	Business Operations Impact	Reputation Impact	Liquidity & Negotiability	Performance Risk	Legal & Regulatory Risk	Size of Audit Unit	Revenue Impact	Budgeted Expense Risk	
Public Works	54	117	55	63	27	40	54	72	126	162	770
Public Safety - Fire	54	117	99	63	27	24	30	56	70	162	702
Courts - Judicial & Justice/Municipal	54	91	55	63	63	56	54	56	70	90	652
Health & Human Services	54	91	77	63	27	0	54	56	98	126	646
Transportation	42	91	99	49	27	40	42	24	98	126	638
Sanitation	54	91	99	63	27	24	54	24	98	90	624
Recreation	54	65	77	63	45	0	30	56	70	126	586
Public Safety - Sheriff	54	91	55	63	45	0	42	72	0	162	584
Assessor	54	117	99	63	81	24	54	24	0	54	570
Community Development	54	91	99	49	45	0	30	40	70	90	568
District Attorney	54	117	99	63	27	56	18	40	0	90	564
Park Maintenance	54	65	77	49	27	24	30	40	70	126	562
Clerk-Recorder	54	39	77	35	45	72	30	24	70	90	536
Human Resources	18	117	99	21	0	72	18	24	0	162	531
Finance	18	91	99	63	27	72	54	24	0	54	502
Information Technology	18	117	99	63	27	24	18	40	0	90	496
Risk Management	42	65	99	49	0	72	54	24	0	90	495
Parks	54	65	77	49	45	24	30	56	0	90	490
Building & Safety	54	91	99	49	45	0	30	24	42	54	488

<b>Business License</b>	54	91	99	35	45	40	30	24	70	0	<b>488</b>
<b>Engineering</b>	54	91	99	49	0	0	42	56	0	90	<b>481</b>
<b>Treasurer</b>	54	39	99	21	81	72	18	24	0	54	<b>462</b>
<b>Redevelopment</b>	30	65	33	35	27	56	30	24	70	90	<b>460</b>
<b>Library</b>	54	65	55	63	63	0	30	40	0	90	<b>460</b>
<b>Juvenile Services</b>	42	65	77	49	27	24	30	56	0	90	<b>460</b>
<b>Senior Center</b>	54	65	99	63	0	0	54	24	42	54	<b>455</b>
<b>Development Engineering</b>	54	117	99	63	45	0	30	24	0	0	<b>432</b>
<b>Planning</b>	54	91	99	49	27	0	30	24	0	54	<b>428</b>
<b>Purchasing</b>	54	65	99	49	0	72	54	24	0	0	<b>417</b>
<b>Utility Billing</b>	54	91	77	49	0	56	30	24	0	0	<b>381</b>
<b>Public Guardian</b>	54	91	0	63	45	56	42	24	0	0	<b>375</b>
<b>Code Enforcement</b>	54	91	77	63	27	0	30	24	0	0	<b>366</b>
<b>Cooperative Extension</b>	54	65	55	63	27	0	18	24	0	0	<b>306</b>
	<b>1614</b>	<b>2821</b>	<b>2706</b>	<b>1757</b>	<b>1071</b>	<b>1000</b>	<b>1194</b>	<b>1192</b>	<b>1064</b>	<b>2556</b>	

Certain risks listed above do not apply to specific general risk areas and have been indicated as zero (0) for this risk assessment summary.

This page is intentionally left blank.



# STAFF REPORT

Report To: Audit Committee

Meeting Date: January 29, 2019

Staff Contact: Dan Carter, Partner, Eide Bailly, LLP

Agenda Title: For Discussion Only: To provide an update on agreed upon procedures performed by Eide Bailly regarding the Fire Overtime Study and the Temporary Staffing Study. (Sheri Russell, SRussell@carson.org)

Staff Summary: Representatives from Eide Bailly, LLP will be providing an update regarding the agreed upon procedures for the Fire Overtime Study and the Temporary Staffing Study.

Agenda Action: Other/Presentation

Time Requested: 10 minutes

## Proposed Motion

No Action – Discussion Only

## Board's Strategic Goal

Efficient Government

## Previous Action

N/A

## Background/Issues & Analysis

10/23/18 – Eide Bailly and the Audit Committee agreed upon procedures to be performed regarding the Overtime Study and Temporary Staffing Study.

## Applicable Statute, Code, Policy, Rule or Regulation

N/A

## Financial Information

Is there a fiscal impact?  Yes  No

If yes, account name/number:

Is it currently budgeted?  Yes  No

Explanation of Fiscal Impact: N/A

## Alternatives

N/A

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_

2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)