AUDIT COMMITTEE
MINUTES

DATE: July 31, 2024
LOCATION: City Hall 4th Floor Conference Room
TIME: 3:00 PM

I. CALL TO ORDER – Chairperson
The meeting was called to order by Jennifer Thayer at 3:01pm.

II. ANNOUNCE MEMBERS IN ATTENDANCE (VERIFY QUORUM)
Audit Committee members present: Jennifer Thayer, Elizabeth Rankin, Karen Reynolds, Patrick Wilkinson
Audit Committee members absent: Trey Judd
Quorum verified? Yes
Internal Audit attendees: Stephanie Fox, Jenn Osteen, Rebecca Darden, Emily Hammer
Other Attendees: None

III. ADOPTION OF MINUTES: April 24, 2024 Audit Committee Meeting

A. Karen Reynolds made a motion to adopt the minutes for April 24, 2024. Elizabeth Rankin seconded the motion. The motion was approved unanimously.

IV. DEPARTMENT REPORT
Stephanie presented the following department reports.

A. Budget Reports
   i. FY 2024
   ii. FY 2025

B. Update on Internal Audit Activity

C. Quality Assurance and Improvement Program - Annual Review Results
Stephanie presented the results of the department's annual quality review for FY 2024.

D. Annual Report
Stephanie presented the draft of the department's annual report.

E. Discussion of Internal Audit Charter, Mandatory Guidance, and Organizational Independence within Red Book
Stephanie presented information about the following items in accordance with auditing standards:

- Audit Committee charter

- Internal Audit department charter
- Organizational independence of the department
- Mandatory guidance components within the International Professional Practices Framework

V. NEW BUSINESS

A. Discussion of Potential New Committee Members
One new Audit Committee member will be needed starting in January 2025 to replace Dr. Jennifer Thayer.

The Audit Committee will nominate a candidate to fill that vacancy, and that candidate will be presented to the City Council for confirmation.

VI. COMMITTEE ACTION REQUIRED

A. FY 2025 Audit Plan Approval
Stephanie presented the draft risk-based audit plan for FY 2025.
Elizabeth Rankin made a motion to approve the FY 2025 Audit Plan. Patrick Wilkinson seconded. The motion was approved unanimously.

B. Internal Audit Charter Approval
Patrick Wilkinson made a motion to approve the Internal Audit Charter. Councilperson Karen Reynolds seconded. The motion was approved unanimously.

VII. CITY COUNCIL ACTION REQUIRED

A. None

VIII. ADJOURNMENT OF PUBLIC MEETING
Elizabeth Rankin made a motion to adjourn the public meeting and go into executive session. Councilperson Karen Reynolds seconded. Public meeting was adjourned at 3:42 pm.

IX. PUBLIC COMMENTS (5 minutes each)

X. NEXT MEETING - **October 30, 2024 at 3:00 PM**

XI. EXECUTIVE SESSION – Vote by the Committee to go into executive session.

During executive session and for the remainder of the meeting, the Audit Committee will be discussing only matters that are considered confidential under TCA Section 9-3-405 (d). These items may include:

A. Items deemed not subject to inspection under TCA Section 10-7-503 and 10-7-504
B. Current or pending litigation and pending legal controversies
C. Pending or ongoing audits or audit related investigations
D. Information protected by federal law
E. Matters involving information under TCA Section 9-3-406 where the informant has requested anonymity.

At this point in the meeting everyone other than Audit Committee members and those asked to attend by the Audit Committee to address an item related to the categories above will be asked to leave.

The following topics were discussed:

A. Ongoing audits and Investigations

XII. ADJOURNMENT OF EXECUTIVE SESSION

The executive session was adjourned at 4:09 pm.