# DAVIS COUNTY AUDIT COMMITTEE MEETING MINUTES

The Davis County Audit Committee met in room 104F of the Davis County Administration Building located at 61 S Main Street, Farmington, UT 84025 on Monday, May 6, 2019, at 11:00 a.m. Notice of this meeting was given under the requirements of Utah Code Annotated §52-4-202.

Davis County staff present were: Commissioner Stevenson, Commissioner Elliott, Commissioner Kamalu, Curtis Koch - Davis County Clerk/Auditor, Blake Woodall - Davis County Internal Auditor, Neal Geddes - Davis County Chief Deputy Civil Attorney, and Janet Hanson - Davis County Commission Office.

The meeting commenced at 11:07 a.m.

**Agenda Items for Discussion**:

1. **Recommendations for 2 at-large Audit Committee members** (minute .51)

   Before approaching individuals to serve in the capacity as a member of the Audit Committee there was a discussion of what their time commitment and expertise would be. Curtis indicated that the State Auditor's Office wants someone they can trust and have the financial expertise to help the commissioners understand the financials. There would also be meeting preparation time (1-2 hours) to review the risk assessments that had been performed. Meetings would be held to 1 hour.

   - Commissioner Kamalu recommended John Nixon, Vice-President of the University of Utah and a Bountiful resident.
   - Commissioner Stevenson recommended Tracy Probert, Layton City Finance Director.

   Curtis indicated that he is familiar with both individuals and felt that they would be a good fit.

   **ACTION ITEM:** The commissioners will reach out to the proposed candidates.

2. **Review of Audit Committee Policy** – presented by Curtis Koch (minute 13.19)

   **Duties and responsibilities** (minute 13.19) of the Audit Committee will include selecting the external auditor. Currently, the external auditor is Ulrich & Associates who are on their 4th year of a 5-year contract. Generally, the external auditor has had an entrance conference with the Clerk/Auditor staff. This will now be with the commissioners. Curtis recommended that external auditors be changed at least every 10 years and to go out to bid.

   **Internal Audit Focus** (minute 16.03)

   It is the Clerk/Auditor's responsibility to choose and perform internal audits/risk assessments from the perspective of finance.

   **Performance audits** (minute 17:02) would be at the request of the legislative body and would require the scope. There was legislation last session by Representative Coleman and it is anticipated that it will be address again during their interim session. The basis of a performance audit requires some criteria to measure performance against, i.e., did the department receive clear guidance, goals, and scope. The auditor can then determine if they performed as directed.

**Fraud and Ethics Hotline** (minute 21:03) reports will be reviewed by the Auditor and Human Resources. This will be a standing agenda item that would be addressed during the closed portion of the meeting. The closed session portions of the meeting are confidential. Other than the closed sessions, the meeting is a public meeting.

3. **Meeting Minutes** (minute 22:35) **of April 4, 2019 were approved** with a motion by Commissioner Elliott. Commissioner Kamalu seconded the motion. All voted aye.

4. **County Risk Assessments** (minute 22:57)

**Closed Session:**

Commissioner Elliott made a motion to move to a closed session as permitted under Utah Code Annotated §52-4-205. Commissioner Kamalu seconded the motion. All voted aye. The closed session began at 11:34 a.m.

**Reconvene** (minute 24:10)

Commissioner Kamalu made a motion to adjourn the meeting. Commissioner Elliott seconded the motion. All voted aye. The meeting adjourned at 12:15 p.m.

The audio recording for this meeting is available based upon the County's current retention schedule.

All publicly distributed materials associated with this meeting are on file in the Davis County Clerk/Auditor's Office, and attachments are noted as follows:

Attachments:
A1-A2. Davis County Financial Policy, Section 1200 - Audit Committee

Minutes prepared by:
Janet Hanson
Commission Office

Approved on: June 3, 2019

/s/ Bob J Stevenson
Audit Committee Chair