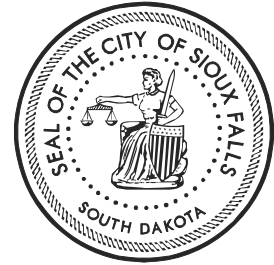


MINUTES

Tuesday, January 29, 2008



Audit Committee

4:30 p.m. at Carnegie Town Hall
235 West Tenth Street

Members Present: Brad Whitsell, J. Pat Costello, Anne Oppegard, Paul Reiter

Members Absent: Kevin Kavanaugh

Staff Present: City Clerk Debra A. Owen, Assistant City Clerk Jamie L. Palmer, Lead Internal Auditor Rich Oksol, Director of Finance Eugene Rowenhorst, Purchasing Coordinator Scott Rust, Assistant Director of Finance Tom Huber

1. Call To Order

Committee Chair Whitsell called the meeting to order at 4:30 p.m.

2. Approval of minutes

A motion was made by Costello and seconded by Oppegard to approve the minutes from December 20, 2007. Whitsell called for a voice vote on the motion. All members voted yes. Motion carried.

3. Audit reports

Oksol shared the Washington Pavilion Management Contract audit report with those present. Discussion occurred and a few minor changes were suggested. A motion was made by Oppegard and seconded by Costello to approve the audit report as amended. Whitsell called for a voice vote on the motion. All members voted yes. Motion carried.

[012908 AC Washington Pavilion Management audit report.doc](#)

[012908 AC Pavilion response to recommendations from internal audit 1-21-08.doc](#)

Oksol shared the Citywide Purchasing and Procurement audit report with those present. Discussion occurred and a few minor changes were suggested. A motion was made by Costello and seconded by Reiter to approve the audit report as amended. All members voted yes. Motion carried.

[012908 AC Purchasing and Procurement Audit.doc](#)

[012908 AC Finance response to recommendations in Purchasing audit.doc](#)

These two audit reports will be placed on the City Council agenda on Monday, February 11, 2008.

4. Whistle Blower Protection for Fraud Hotline

Oksol reported that he inquired with various other cities regarding a Whistle Blower Protection. He reported that one city stated that cities would be protected under the Sarbanes Oxley Federal Legislation. Discussion followed. Whitsell requested that Oksol draft a Whistleblower ordinance and present it at the next Audit Committee meeting for discussion.

5. End of Year Internal Audit Status Report

A copy of the Internal Audit Status Report was shared with those present.

[012908 AC End of year audit status report 2007.doc](#)

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6. Selecting & Approving External Audit Firm

Discussion occurred regarding the process for selecting and approving an external audit firm. Owen read section 2.10 of the City Charter which states that competitive bids are not required. A proposal is being prepared by Eide Bailly and will be discussed at the March audit committee meeting.

7. Revision of Sioux Falls Code Section 2-54 (b)

Discussion occurred regarding language in Sioux Falls Code Section 2-54 (c & d). No action will be taken.

8. Open Discussion

Whitsell stated that Reiter is nearing the end of his term and the Whitsell asked that he inform the committee chair if he decides to renew his term. Kavanaugh's term will end May of 2008 and the Council Chair will appoint a new representative for the Audit Committee.

Oksol to give an update to the City Council regarding the End of Year Internal Audit Status Report at the Informational meeting on February 4, 2008.

9. Adjournment at 5:10 p.m.

Jamie L. Palmer
Assistant City Clerk