

AUDIT COMMITTEE

August 27, 2018

A regular meeting of the committee was convened at 10:00 am on this date.

Members Present: Linea Palmisano (Chair), Chris Meyer (MPRB Commissioner), Scott Neal, David Fisher, and Jeremy Schroeder (Quorum - 4)

Members Absent: Abdi Warsame

Matters listed below are hereby submitted with the following recommendations; to-wit:

1. Adoption of the agenda.

Palmisano moved to adopt. On voice vote, the motion passed.

2. Acceptance of minutes of [Jun 11, 2018](#).

Fisher moved to accept. On voice vote, the motion passed.

3. 2017 State of Minnesota Office of the State Auditor Management and Compliance Reports ([AU2018-00019](#))

1. Receiving and filing the 2017 State of Minnesota Office of the State Auditor Management and Compliance Report for the City of Minneapolis.
2. Receiving and filing the 2017 State of Minnesota Office of the State Auditor Management and Compliance Report for the Minneapolis Park & Recreation Board.
3. Receiving and filing the 2017 State of Minnesota Office of the State Auditor Management and Compliance Report for the Municipal Building Commission.

The Chair afforded the courtesy of the floor to Stephanie Erickson, Office of the State Auditor, for the staff presentation.

Palmisano moved to receive and file. On voice vote, the motion passed.

4. 2018 Annual Audit Plan Amendment ([AU2018-00021](#))

Approving an amendment to the Internal Audit Department 2018 Annual Audit Plan to add a consultation with the Office of Police Conduct Review and the Minneapolis Police Department to analyze recruitment statistics and assess the equity of recruiting standards.

Staff presentation by Ginger Bigbie, Internal Auditor.

Palmisano moved to approve. On voice vote, the motion passed.

7. Internal Auditor update report ([AU2018-00020](#))

Receiving and filing the update report of the Internal Audit Department's work in progress.

Staff presentation by Ginger Bigbie, Internal Auditor, and Internal Audit staff members Huguette Esoh Latte, Kiril Vassiliev, and Ethan Rueckheim. Introduction of Internal Audit intern staff members Travis Kamm and Dani Hunt.

Palmisano moved to receive and file. On voice vote, the motion passed.

Deputy City Attorney Erik Nilsson stated that the open meeting law, Minnesota Statutes Chapter 13D.05, Subd. 3(d), permits the closure of a meeting to receive security briefings and reports, to discuss issues related to security systems, to discuss emergency response procedures and to discuss security deficiencies in or recommendations regarding public services, infrastructure and facilities, if disclosure of the information discussed would pose a danger to public safety or compromise security procedures or responses.

On motion by Palmisano, carried on voice vote, the meeting was adjourned at 10:45 a.m. to Room 315, City Hall, to a closed session of the Audit Committee for the purposes of receiving the Minneapolis Water Treatment and Distribution System IT Audit Report and the Traffic Signal System IT Audit Report.

An adjourned session of the regular meeting of the Audit Committee was convened at 10:50 a.m. on this date in Room 315, City Hall, a quorum being present.

5. Minneapolis Water Treatment and Distribution System IT Audit ([AU2018-00017](#))

Receiving and filing the Minneapolis Water Treatment and Distribution System IT Audit Report.

6. Traffic Signal System IT Audit ([AU2018-00018](#))

Receiving and filing the Traffic Signal System IT Audit Report.

Deputy City Attorney Erik Nilsson stated that the meeting may be closed for the purposes of receiving security briefings.

At 10:51 a.m., on motion by Palmisano, carried on voice vote, the meeting was closed as permitted by Minnesota Statutes, Chapter 13D.05, Subd. 3(d), to receive the Minneapolis Water Treatment and Distribution System IT Audit Report and the Traffic Signal System IT Audit Report.

Members Present: Linea Palmisano (Chair), Chris Meyer (MPRB Commissioner), Scott Neal, David Fisher, and Jeremy Schroeder (Quorum - 4)

Members Absent: Abdi Warsame

Also Present: Ginger Bigsbie, Internal Auditor; Kiril Vassiliev, Manager of the Internal Audit Office; Nikhil D'Souza and Joe Kraemer with Backbone Consultants; Glen Gerads and Steve Crumley, with Public Works/Water Business Services (from 10:50 a.m.-11:17 a.m.); Jon Wertjes and Allan Klugman, with Public Works/Traffic & Parking Services (from 11:18 a.m.-11:50 a.m.); Erik Nilsson, Deputy City Attorney; and Irene Kasper, City Clerk's Office.

Staff presentation of the Minneapolis Water Treatment and Distribution System IT Audit Report by Nikhil D'Souza and Joe Kraemer, with Backbone Consultants; Ginger Bigsbie, Internal Auditor; and Kiril Vassiliev, Manager of the Internal Audit Office, from 10:51 a.m.-11:17 a.m. Glen Gerads and Steve Crumley, with Public Works/Water Business Services, also spoke on the matter.

Staff presentation of the Traffic Signal System IT Audit Report by Nikhil D'Souza, Joe Kraemer, Ginger Bigsbie, and Kiril Vassiliev from 11:18 a.m.-11:50 a.m. Jon Wertjes and Allan Klugman, with Public Works/Traffic & Parking Services, also spoke on the matter.

On motion by Neal, carried on voice vote, at 11:50 a.m., the meeting was opened.

On motion by Palmisano, carried on voice vote, the Minneapolis Water Treatment and Distribution System IT Audit and Traffic Signal System IT Audit Reports were received and filed.

The adjourned session of the Audit Committee meeting was tape recorded with the tape on file in the Office of the City Clerk.

With no further business to transact, the meeting adjourned at 11:50 am.

Reported by Irene Kasper, Council Committee Coordinator