

***METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON
COUNTY***



***METROPOLITAN NASHVILLE
AUDIT COMMITTEE***

WORKBOOK

February 8, 2022

METROPOLITAN NASHVILLE
METROPOLITAN AUDIT COMMITTEE MEETING AGENDA
February 8, 2022, 4:00 p.m.

Committee Room 2
205 Metropolitan Courthouse

- I. Call Meeting to Order (Brackney Reed – Committee Chairman)
- II. Approval of Minutes (Brackney Reed – Committee Chairman)
 - Approval of Minutes for December 14, 2021, meeting
- III. New Business
 - Discussion on the Metropolitan Auditor 2022 recruitment and appointment process for the term July 1, 2022, through June 30, 2030 (Brackney Reed – Committee Chairman, Theresa Costonis – Legal, Wanda Hadley – Metro Human Resources)
 - Discussion on the Audit Recommendations Follow-up – Metropolitan Nashville Arts Commission issued January 3, 2022. (Lauren Riley – Metropolitan Auditor)
 - Tentative Discussion on the Audit Recommendations Follow-up – Treasury Collections Office. (Lauren Riley – Metropolitan Auditor)
 - Discussion of the Office of Internal Audit Recommended 2022 Annual Work Plan (Lauren Riley – Metropolitan Auditor)
- IV. Old Business
 - Discussion on the Investigation Report on Allegations of Nashville General Hospital issued December 1, 2021. (Lauren Riley – Metropolitan Auditor)
- V. Internal Audit Project Status (Lauren Riley – Metropolitan Auditor)
 - Recommendation implementation follow-up status
 - On Going Projects
- VI. Other Administrative Matters (Lauren Riley – Metropolitan Auditor)
 - Office of Internal Audit 2021 Performance Report and Metropolitan Nashville Audit Committee Annual Report to the Metropolitan Nashville Council
 - FY2022 Budget Status
- VII. Consideration of Items for Future Meetings (Brackney Reed – Committee Chairman)
- VIII. Adjournment of Public Meeting – Next Regular Meeting Tuesday, April 12, 2022.
- IX. Call for a motion to enter executive session (Brackney Reed – Committee Chairman)
- X. Executive Session Agenda – (Brackney Reed – Committee Chairman)
 - If needed, discussion of pending or ongoing audits or investigations. (Lauren Riley – Metropolitan Auditor)

METROPOLITAN NASHVILLE
METROPOLITAN AUDIT COMMITTEE MEETING AGENDA
February 8, 2022, 4:00 p.m.

Note: Upon a majority vote of committee members in attendance for the public portion of the meeting, the Metropolitan Nashville Audit Committee may hold confidential, nonpublic executive sessions to discuss the following items (T.C.A. § 9-3-405¹):

- Items deemed not subject to public inspection under T.C.A. §§ 10-7-503² and 10-7-504³ and all other matters designated as confidential or privileged under this code;
- Current or pending litigation and pending legal controversies;
- Pending or ongoing audits or audit related investigations;
- Information protected by federal law; and
- Matters involving information under T.C.A. § 9-3-406⁴ where the informant has requested anonymity.



To request an accommodation, please contact Lauren Riley at (615) 862-6111.

¹ T.C.A. § 9-3-405(d). Establishment of audit committee, Notice requirements, Open meetings, Confidential, nonpublic executive session.

² T.C.A. § 10-7-503. Records open to public inspection, Schedule of reasonable charges, Costs.

³ T.C.A. § 10-7-504. Confidential records.

⁴ T.C.A. § 9-3-406. Establishment of process for confidential reporting of suspected illegal, improper, wasteful or fraudulent activity, Retaliatory activities prohibited.

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
AUDIT COMMITTEE MEETING MINUTES
December 14, 2021

On Tuesday, December 14, 2021, at 4:00 p.m., the Metropolitan Nashville Audit Committee met in the Metropolitan Courthouse, 2nd Floor, Committee Room 2. The following people attended the meeting:

Committee Members

Brackney Reed, Chamber of Commerce
Tom Bates, Tennessee Society of CPAs
Sharon Hurt, Council Member
Kyonzte Toombs, Council Member
Kelly Flannery, Director of Finance

Others

Lauren Riley, Metropolitan Auditor
Theresa Costonis, Department of Law
John Crosslin, Crosslin
David Hunt, Crosslin
Jenneen Kaufman, Metro Finance
Faye DiMassimo, NDOT
Scott Potter, Metro Water Services
Amanda Deaton-Moyer, Metro Water Services
Dr. Joseph Webb, Nashville General Hospital
Bruce Naremore, Nashville General Hospital
Julie Groves, Nashville General Hospital
Mary Cole, Office of Internal Audit
Bill Walker, Office of Internal Audit

Committee Member Absent

Jim Shulman, Vice Mayor

Quorum present? Yes

CALL MEETING TO ORDER

Mr. Reed called the meeting to order.

APPROVAL OF MINUTES

A **motion** to approve meeting minutes for November 23, 2021, was made, seconded, and carried.

NEW BUSINESS

Metropolitan Nashville Government Annual Comprehensive Financial Report –for the Year Ended June 30, 2021

Mr. Crosslin summarized the objectives, components, and deliverables of the report. Crosslin answered clarifying questions about their auditing process. A question was raised as to if there were any material weaknesses or significant deficiencies. Crosslin requested to defer disclosure of any potential deficiencies until a later meeting, so potential comments could be vetted with management.

Audit of Public Works Revenue Collections

Ms. Riley explained that Public Works became the Nashville Department of Transportation and certain functions were moved to Metro Water Services during the audit process. Ms. Riley summarized the objectives, observations, and recommendations of the report. Council Member Hurt questioned who was held accountable for the findings and what actions would be taken for

correction. A discussion ensued with Ms. DiMassimo, Ms. Deaton-Moyer, and Council Member Hurt. Committee members determined that a separate conversation would be needed to discuss specifics about the details and disciplinary action from the findings. A discussion was had about the next steps to ensure remediation of observations noted in the audit.

Audit Recommendations Follow-up – Audit of the Nashville Public Library Building Security

Ms. Riley summarized the objectives, observations, and recommendations of the report. No questions or discussion occurred.

Investigation Report on Allegations of Nashville General Hospital –issued by BerryDunn.

Ms. Riley summarized the allegations, observations, and conclusions of the report. Mr. Bates questioned why some documentation was requested by BerryDunn but was not provided by Nashville General Hospital. Ms. Groves stated that all requested information had been provided. Council Member Hurt inquired about the frequency of Finance Directors making allegations against Metro departments or component units. Ms. Riley stated it was rare, but allegations could originate from any source.

Additional questions were raised as to why specific allegations were substantiated instead of being not unable to determine or vice versa. It was determined that Ms. Riley would relay these inquiries to BerryDunn for clarification.

Action Item: Ms. Riley stated she would provide additional details at the following meeting.

Audit Recommendations Follow-up – Audit of EEOC form 164, State and Local Government Information (EEO-4)

Mr. Walker summarized the objectives, observations, and recommendations of the report. No questions or discussion occurred.

Request to revise 2021 Internal Audit Work Plan to include an Audit of Social Services Homeless Impact Division

Ms. Riley requested a change to the Audit Work Plan to maintain staff workload and best fit audit progress. The Social Services Homeless Impact division hasn't been evaluated recently and is relevant to current events.

A **motion** to revise the 2021 Internal Audit Work Plan to include an audit of Social Services Homeless Impact Division, was made, seconded, and carried.

OTHER ADMINISTRATIVE MATTERS

On Going Projects, Recommendation Implementation, FY2022 Budget Status

Ms. Riley went over on-going projects in process. Ms. Riley provided an update on the status of recommendation follow-up. Ms. Riley gave an overview of the budget status for the Office of Internal Audit. No discussion ensued.

Ms. Riley presented the proposed meeting dates for calendar year 2022. Ms. Riley went over the reason for some of the dates and movement of some to accommodate budget season and holidays.

A **motion** to approve the 2022 meeting plan was made, seconded, and carried.

Executive Session

Mr. Reed inquired if there was a need to go into Executive Session. Ms. Riley advised no.

The next regularly scheduled meeting is February 8, 2022, at 4:00 p.m.

The public meeting adjourned after approximately 1 hour.

* * * * *

The minutes for the December 14, 2021, Metropolitan Nashville Audit Committee meeting are respectfully submitted.

Lauren Riley, Metropolitan Auditor
Secretary, Metropolitan Nashville Audit Committee

Metro Auditor - Director Recruitment Timeline

Develop Recruitment Announcement

Week of February 1

Metro Human Resources will develop recruitment announcement.

Post Recruitment Announcement

February 9-17

Metro Human Resources will post announcement as outlined above through all various means and initiate receiving applications.

Assessment of Applications

February 10-24

Applications and resumes will initially be assessed by Metro Human Resources to determine candidates that meet and exceed the minimum and preferred education/experience as reflected in the job announcement.

Development of Interview Questions

Week of February 21

Metro Human Resources will work to develop interview questions for the most qualified candidates, to further clarify their qualifications, i.e., critical competencies, etc.

Audit Committee Initial Review of Applications and Resumes

Week of February 28

HR will send applications and resumes of the top-tier level of candidates for Committee member review via electronic mail. Each Committee member will respond to HR with their top 4-6 choices. HR will collect results, analyze, and send results to Audit Committee for review.

Audit Committee Discussion of Applications and Resumes (if needed)

Week of March 7

Discuss the applications and resumes of the top 4-6 candidates to determine a group of finalists (approximately 3-5) to be interviewed by Audit Committee at next meeting. This may require a special called meeting.

CJIS Background and Reference Checks

Week of March 7

Metro Human Resources will conduct CJIS background checks (including references) on candidates selected by Committee Chair/HR to move forward in the process to interview.

Interview of Finalists

April 12

Audit Committee will conduct interviews with the finalists; HR will schedule finalists and facilitate interviews. This may require a special called meeting. The Committee will come to consensus on a ranking of the top three candidates to be referred to Metro Council for their consideration and vote.

Metro Council will vote and appoint Metropolitan Auditor

May 5, 2022

Metro Council will review the three finalists and appoint, by a majority vote, the Metropolitan Auditor.

Employment Offer Made

May 6, 2022

Metro HR will assist in an employment offer with notification, preparation of offer letter, and notification to other candidates not selected.

**METROPOLITAN GOVERNMENT OF NASHVILLE &
DAVIDSON COUNTY**

Department of Human Resources

<http://www.nashville.gov/Human-Resources/Employment-Opportunities.aspx>



Invites Applications For The Position Of:

**Metropolitan Auditor - Director,
Division of Audit**

We are an equal opportunity employer that values diversity at all levels. All individuals, regardless of personal characteristics, are encouraged to apply.

SALARY:	\$101,847.07 - \$193,955.56 Annually
DEPARTMENT:	Internal Audit
OPENING DATE:	01/14/22
CLOSING DATE:	01/14/22 11:59 PM

POSITION DESCRIPTION:

The Metropolitan Government of Nashville is accepting applications to fill the Non-Civil Service position of **Metropolitan Auditor**, Director of the Division of Metropolitan Audit. The Division was created in 2007 by Charter amendment, as an independent agency of the Metropolitan Government. The Metropolitan Auditor serves a term of eight (8) years. The term will begin July 1, 2022 and end June 30, 2030. The Audit Division follows Government Auditing Standards and conducts financial, performance and other audit services for the Metropolitan Government of Nashville and Davidson County. The Division is governed by a six (6) member Audit Committee comprised of elected and appointed officials.

NOTE: You must attach a résumé with your application in order to be considered for this position.

The Metropolitan Office of Internal Audit is an independent appraisal agency established to ensure and enhance the integrity, equality, accountability, effectiveness, and efficiency of service activities, and to pursue an atmosphere of honesty and mutual trust within the Metropolitan Government of Nashville and Davidson County.

*****All applications are subject to public disclosure.*****

TYPICAL DUTIES:

- Sets the strategic direction for the division through a collaborative planning process.
- Appoints and removes, subject to the civil service provisions, all officers and employees of the division.
- Provides daily leadership for the internal audit function.
- Plans and conducts financial, performance, and other audit services to evaluate the effectiveness and efficiency of government service delivery processes.
- Manages internal audits including evaluating internal controls, performing and documenting audit test work and communicating audit issues to management.

- Writes audit reports that communicate risks and those control responses which are working as well as those that require management attention - to members of the Metropolitan Nashville Audit Committee, Metropolitan Nashville Council, Mayor's Office, elected officials, boards, commissions, department heads, and external stakeholders.
- Conducts with full authority independent investigations of any and all departments, boards and commissions of the Metropolitan Government, as well as the performance of contracts by entities that contract with the Metropolitan Government.
- Investigates, or causes to investigate, suspected illegal, improper, wasteful, or fraudulent activity within Metropolitan Government.
- Authority shall include, but is not limited to, the ability to review, research, and conduct interviews, along with the ability to have access to any and all necessary documentation.

MINIMUM QUALIFICATIONS:

- Bachelor's Degree in Accounting, Finance, or related field from an accredited college or University
- Exceptional record of performance in government or public finance and the audit function, AND
- Five plus years' experience as an auditor, accountant, CFO, controller, principal accounting, financial officer of a governmental entity or private business, using Generally Accepted Accounting Principles (GAAP) and Government Auditing Standards.

Candidates with accreditations earned in a foreign institute are encouraged to apply.

Note: Per Metro Ordinance No. SO94-1078. All employees of the Metropolitan Government shall be residents of the State of Tennessee or become residents of the state within six (6) months of employment as a prerequisite to employment with the Metropolitan Government.

PREFERRED EXPERIENCE, KNOWLEDGE, SKILLS, AND ABILITIES:

- Progressively responsible management in a complex political environment
- Certified Public Accountant (CPA) or Certified Internal Auditor (CIA)
- Certified Fraud Examiner (CFE)

We are an equal opportunity employer that values diversity at all levels. All individuals, regardless of personal characteristics, are encouraged to apply.

Metro Nashville Government respects the religious beliefs and practices of all employees and will make, on request, an accommodation for such observances when a reasonable accommodation is available that does not create an undue hardship on business operations.

Requests for ADA accommodation for the recruitment process should be directed to Human Resources at 615-862-6640.

[Resources/Employment-Opportunities.aspx](#)

Human Resources Department
404 James Robertson Parkway, Suite 1000
Nashville, TN 37219
(615) 862-6640

metrojobs@nashville.gov

Requests for ADA accommodation for the recruitment process should be directed to 615-862-6640.

Metropolitan Auditor - Director, Division of Audit Supplemental Questionnaire

- * 1. Do you have a Bachelor's Degree in Accounting, Finance or a related field from an accredited college or university?
 Yes No

- * 2. Indicate the number of years of experience you have as an auditor, accountant, CFO, controller or principal accounting or financial officer of a governmental entity or private business.
 Less than 5 years
 5 years
 5-8 years
 More than 8 years

- * 3. Do you have management-level experience working in a complex political environment?
 Yes No

- * 4. If you answered "Yes" to Question 3, please use the space provided to describe your experience.

- * 5. If you have professional certification(s) or license(s) that are relevant to this position, please use the space provided to describe.

- * 6. I understand that the contents of my application, including any attached documents, may be subject to public disclosure.
 Yes No

- * 7. I understand that all related work history/experience, education, certification and/or licenses must be reflected on my application for this position. I further understand that an incomplete application or my failure to attach required documents may result in disqualification.
 Yes No

- * Required Question



**A Report to the
Audit Committee**

Mayor
John Cooper

**Executive Director of Metro
Arts Commission**
Caroline Vincent

Audit Committee Members
Tom Bates
Kelly Flannery
Sharon Hurt
Brackney Reed
Jim Shulman
Kyonztè Toombs

**Audit Recommendations Follow-up –
Audit of the Metropolitan Nashville
Arts Commission**

January 3, 2022

Metropolitan
Nashville
Office of
Internal Audit

EXECUTIVE SUMMARY

January 3, 2022



Why We Did This Audit

To evaluate management's implementation of previous audit recommendations as of December 17, 2021.

What We Recommend

There are no recommendations, as management successfully implemented the initial audit recommendations.

Audit Recommendations Follow-Up - Audit of the Metropolitan Nashville Arts

BACKGROUND

On July 5, 2019, the Metropolitan Nashville Office of Internal Audit issued an audit report on the Metropolitan Nashville Arts Commission (Metro Arts). The audit report included 17 recommendations, all of which were accepted by management for implementation. Office of Internal Audit guidelines require monitoring and follow-up to ensure that the recommendations assessed as high or medium risk are appropriately considered, effectively implemented, and yield intended results.

OBJECTIVES AND SCOPE

The objectives of this follow-up audit were to determine if the recommended action or an acceptable alternative was implemented.

The scope of the follow-up audit included all 17 accepted recommendations that management implemented and reported to our office.

WHAT WE FOUND

Metro Arts has implemented all 17 recommendations made in the initial audit report. Details of the implementation status can be seen in **Appendix A**.

AUDIT FOLLOW-UP RESULTS

The initial audit report encompassed all grant awards and public art projects funded during the fiscal years 2018 and 2017. The audit report included 17 recommendations all of which were accepted by management for implementation.

The Office of Internal Audit will close a recommendation only for one of the following reasons:

- The recommendation was effectively implemented.
- An alternative action was taken that achieved the intended results.
- Circumstances have so changed that the recommendation is no longer valid.
- The recommendation was not implemented despite the use of all feasible strategies or due to lack of resources. When a recommendation is closed for these reasons, a judgment is made on whether the objectives are significant enough to be pursued at a later date in another assignment.

The scope of the follow-up audit included all 17 accepted recommendations that management implemented and reported to our office. Of the 17 accepted recommendations, all 17 recommendations were fully implemented. Implementation actions were evaluated, as well as progress being made on any open recommendations. Details of the implementation status as of December 17, 2021 can be seen in **Appendix A**.

METHODOLOGY

To achieve the audit objectives, auditors performed the following steps:

- Reviewed the implementation status report provided by Metro Arts.
- Interviewed key personnel within Metro Arts.
- Examined the documentation provided by management as evidence of completion.
- Considered risk of fraud, waste, and abuse, and information technology risks.
- Detail-tested sampled projects, grants, and fiscal administration transactions.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our observations and conclusions based on our audit objectives.

AUDIT TEAM

Innocent Dargbey, CPA, CMFO, CICA, In-Charge Auditor

Jessica Henderson, Assisting Auditor

Lauren Riley, CPA, CIA, CFE, ACDA, CMFO, Metropolitan Auditor

APPENDIX A – PRIOR RECOMMENDATIONS AND IMPLEMENTATION STATUS

The following table shows the guidelines followed to determine the status of implementation.

Table 1

Recommendation Implementation Status	
Implemented/ Closed	The department or agency provided sufficient and appropriate evidence to support the implementation of all elements of the recommendation and the recommendation’s implementation caused or significantly influenced the benefits achieved.
Partially Implemented/ Open	The department or agency provided some evidence to support implementation progress but not of all elements of the recommendation were implemented.
Not Implemented	The department or agency did not implement a recommendation because: a) of lack of resources; b) an alternative action was taken that achieved the intended results; c) circumstances have so changed that the recommendation is no longer valid.

The following are the audit recommendations made in our original audit report dated July 5, 2019, and the current implementation status of each recommendation based on our review of information and documents provided by Metro Arts.

APPENDIX A – MANAGEMENT IMPLEMENTATION ACTIONS

Recommendation	Implementation Actions	Outstanding Issues	Implementation Status At 12/17/2021
<p>A.1 Establish a process of reviewing the one percent for Public Art fund computations and identifying eligible construction projects in the Capital Spending Plan and all subsequent changes. This should include an interpretation of the Metropolitan Nashville Code of Laws § 5.10 to identify the elements of a construction project such as land that should and should not be included in the computations.</p> <p>Assessed Risk Level: Medium</p>	<p>Metro Council revised the basis for determining and recognizing the 1% Public Art Fund with BL2020-185. Metro Arts established procedures to verify the 1% Public Art funds computations from Department of Finance.</p> <p>Metro Arts finance director will review the 1% computation worksheets from Department of Finance on a regular basis and maintain all related information.</p>	None	Implemented/ Closed
<p>A.2 Review computations for other fiscal periods not covered by this audit, to the extent Metropolitan Nashville Government Laws permit, to determine if all eligible projects were included in the computations.</p> <p>Assessed Risk Level: Medium</p>	<p>Metro Arts reviewed 1% fund computations prior to the audit in collaboration with Metro Finance and Metro Arts acknowledged receipt of all missed 1% Public Arts fund from periods prior to the initial audit.</p>	None	Implemented/ Closed

APPENDIX A – PRIOR RECOMMENDATIONS AND IMPLEMENTATION STATUS

Recommendation	Implementation Actions	Outstanding Issues	Implementation Status At 12/17/2021
<p>A.3 Enhance close-out procedures and project evaluations with adequate documentation and verifiable information, including information about how the funds were spent (invoices for materials, other).</p> <p>Assessed Risk Level: Medium</p>	<p>Staff have enhanced the system for ensuring adequate documentation and close-out procedures are documented. This includes a more detailed project closeout checklist, which requires the signature of the project manager, and Public Art Manager before any final payments to the artist are processed. Material invoices and receipts are also required from artists.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>A.4 Establish Public Art administration procedures or checklists to supplement the guidelines and evidence of review. Administration procedures or checklists will assist staff in knowing the forms of information or documentation that are required, including conflict of interest forms, and how to retain the same.</p> <p>Assessed Risk Level: Medium</p>	<p>Staff have developed a public art project management checklist. The checklist includes documentation around artist selection, documentation of the selection process, and conflict of interest forms. Digital copies of the checklist are filed by the project manager and reviewed by a designated staff person in charge of compliance.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>A.5 Continue to work with Metropolitan Nashville Council members to identify suitable locations in their districts where public artworks can be installed.</p> <p>Assessed Risk Level: Medium</p>	<p>This is ongoing work and relationship building with Council Members. Metro Arts entered into a project with Two Sigma’s Data Clinic with volunteer data scientists. They have analyzed open data overlayed with geographic data and Council districts to identify gaps in public art and arts investments. Metro Arts created a Metro Arts Public Art Request tracker and Monday Board to log info on requested projects and locations for public art from Council Members and Metro departments.</p>	<p>Recommendation is a continuous improvement process; however, adequate progress has been made. Further inquiry and review will be performed during future audits.</p>	<p>Implemented/ Closed</p>
<p>B.1 Establish grants administration procedures or checklists to supplement the guidelines and evidence of review. Administration procedures or checklists will assist staff in knowing the forms of information or documentation that</p>	<p>Metro Arts established administrative procedures and checklists for grants/funding programs which provide evidence that guidelines were applied and followed by applicants.</p>	<p>None</p>	<p>Implemented/ Closed</p>

APPENDIX A – PRIOR RECOMMENDATIONS AND IMPLEMENTATION STATUS

Recommendation	Implementation Actions	Outstanding Issues	Implementation Status At 12/17/2021
<p>are required and how to retain the same.</p> <p>Assessed Risk Level: Medium</p>			
<p>B.2 Communicate practical issues, situations, or events that can cause the Commission to be non-compliant to laws, rules, regulations, and guidelines. An example is the difficulty in creating a diverse board of directors within all organizations that receive Metro Arts Grants.</p> <p>Assessed Risk Level: Medium</p>	<p>Metro Arts added this to their Scoring Criteria within the Grant Guidelines.</p> <p>“The Organization: This section of the application addresses the organization’s overall health as a nonprofit organization. Much of the information used to score this section is found in the GivingMatters.com profile. Areas that influence the overall health of a nonprofit are the size and make-up of the governing board of directors, qualifications and abilities of staff, leadership demographics in relation to the population being served, regular organizational assessment, and short and long-term goal setting.</p> <p>Equity: This section of the application addresses the organization’s commitment to racial and cultural equity in its programs, organizational policies and practices, planning, and implementation.”</p>	None	Implemented/ Closed
<p>B.3 Ensure annual documentation of conflict-of-interest forms for the Commissioners and all others involved in the award process are completed and retained for the specified retention period. Updates should be provided when situations change. Additionally, administrative procedures should include situations that create the appearance of a conflict of interest and influence and the requirements in such situations.</p> <p>Assessed Risk Level: Medium</p>	<p>Management implemented conflict of interest forms for Commissioners and others involved in the award process.</p>	None	Implemented/ Closed

APPENDIX A – PRIOR RECOMMENDATIONS AND IMPLEMENTATION STATUS

Recommendation	Implementation Actions	Outstanding Issues	Implementation Status At 12/17/2021
<p>C.1 Establish THRIVE program administration procedures or checklists to supplement the guidelines. The procedures or checklists should include lists of acceptable evidence that support requirements in the guidelines.</p> <p>Assessed Risk Level: Medium</p>	<p>THRIVE guidelines have been amended to include a process for awardees to communicate project changes or deviations from project proposals. Monitoring measures have been put into place. The 80%/20% invoice process changed to invoice on a 40%/40%/20% schedule.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>C.2 Enhance THRIVE program close-out procedures and project evaluations with adequate documentation and verifiable information.</p> <p>Assessed Risk Level: Medium</p>	<p>THRIVE program close-out procedures and evaluations have been enhanced to allow adequate time and review of THRIVE projects.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>D-1. Continue to work with Metropolitan Nashville Council Members to identify suitable locations in their districts where public artworks can be installed.</p> <p>Assessed Risk Level: Medium</p>	<p>This is ongoing work and relationship building with Council Members. Metro Arts also entered into a project with Two Sigma’s Data Clinic with volunteer data scientists. They have analyzed open data overlaid with geographic data and Council districts to identify gaps in public art and arts investments. Metro Arts is hiring a contract Data Projects Coordinator to assist in this initiative. Metro Arts created a Metro Arts Public Art Request tracker and Monday Board to log info on requested projects and locations for public art from Council Members and Metro departments.</p>	<p>Recommendation is a continuous improvement process; however, adequate progress has been made. Further inquiry and review will be performed during future audits.</p>	<p>Implemented/ Closed</p>
<p>D-2. Move the Donated Artwork link from ‘Resources and Toolkits’ to ‘Programs’ on the Metro Arts website where it will be regarded as one of Metro Arts programs. Also, the Metropolitan Nashville Government should emphasize the need for Metro Arts to lead the donated arts review process until the final acceptance agreement.</p> <p>Assessed Risk Level: Medium</p>	<p>Metro Arts Executive Director had ongoing conversations with Mayor’s Office and other departments about this project and policy. Staff have continued to guide other departments through the donation process. Metro Arts also discussed this policy at a recent meeting (August 2021) and approved a complementary Temporary Artworks on Metro Property policy for community-</p>	<p>Recommendation is a continuous improvement process; however, adequate progress has been made. Further inquiry and review will be performed during future audits.</p>	<p>Implemented/ Closed</p>

APPENDIX A – PRIOR RECOMMENDATIONS AND IMPLEMENTATION STATUS

Recommendation	Implementation Actions	Outstanding Issues	Implementation Status At 12/17/2021
	initiated temporary public artworks.		
<p>D-3. Communicate practical issues, situations, or events that can cause the Commission to be non-compliant to laws, rules, regulations, and guidelines. An example is the difficulty in getting some Metropolitan Nashville Government departments and agencies to comply with the <i>Metropolitan Nashville Art Commission Donated Artwork Guidelines</i>.</p> <p>Assessed Risk Level: Medium</p>	<p>Metro Arts Executive Director had ongoing conversations with Mayor’s Office and other departments about this project and policy. Staff have continued to guide other departments through the donation process. Metro Arts also discussed this policy at a recent meeting (August 2021) and approved a complementary Temporary Artworks on Metro Property policy for community-initiated temporary public artworks.</p>	<p>Recommendation is a continuous improvement process; however, adequate progress has been made. Further inquiry and review will be performed during future audits.</p>	<p>Implemented/ Closed</p>
<p>E-1. Establish a system of tracking other assets purchased by the departments with schedule counts to ensure that these assets are safeguarded from theft and misuse.</p> <p>Assessed Risk Level: Medium</p>	<p>Metro Arts began tracking other assets directly purchased by the department, including but not limited to portable printers or scanners, portable air purifiers, and other office equipment.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>E-2. Adopt the system of recording employee benefit time as exception time in the Metropolitan Nashville Government JD Edwards EnterpriseOne system.</p> <p>Assessed Risk Level: Medium</p>	<p>Metro Arts now records, and processes employee leave or vacation and other benefits time taken on employees' pay stub as part of the total hours for the pay period.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>E-3. Continue exploring the possibility of switching to an electronic attendance and leave tracking system. Kronos is the Metropolitan Nashville standard for time and attendance tracking and has licenses centrally managed by the Information Technology Services department.</p> <p>Assessed Risk Level: Medium</p>	<p>Metro Arts implemented HoneyBee, a new time and attendance tracking system to enhance its processes and procedures.</p>	<p>None</p>	<p>Implemented/ Closed</p>

APPENDIX A – PRIOR RECOMMENDATIONS AND IMPLEMENTATION STATUS

Recommendation	Implementation Actions	Outstanding Issues	Implementation Status At 12/17/2021
<p>E-4. Require that employees with both approval levels in payment workflow approval routes (i.e., primary level 1 and backup level 2 in payment approval workflow) in accounts payable not approve an invoice at both levels.</p> <p>Assessed Risk Level: Medium</p>	<p>Metro Arts revised the workflow approval levels to eliminate the conflicts noted during the audit.</p>	<p>None</p>	<p>Implemented/ Closed</p>



**A Report to the
Audit Committee**

Mayor
John Cooper

Finance Director
Kelly Flannery

Treasurer
Michell Bosch

Audit Committee Members
Tom Bates
Kelly Flannery
Sharon Hurt
Brackney Reed
Jim Shulman
Kyonzte Toombs

Metropolitan
Nashville
Office of
Internal Audit

**Audit Recommendations Follow-up –
Audit of the Department of Finance
Treasury Collections Office
(Initial Report Issued September 3, 2020)**

February 3, 2022

EXECUTIVE SUMMARY

February 3, 2022



Why We Did This Audit

To evaluate management's implementation of previous audit recommendations as of December 31, 2021.

What We Recommend

Management should continue efforts to implement the remaining recommendations.

Audit Recommendations Follow-Up - Audit of the Department of Finance Treasury Collections Office

BACKGROUND

On September 3, 2020, the Office of Internal Audit issued an audit of the Department of Finance Treasury Collections Office. The audit report included 13 recommendations for improving the operations of the Treasury Collections Office. All recommendations were accepted by management for implementation. Office of Internal Audit guidelines require monitoring and follow-up to ensure that the recommendations assessed as high or medium risk are appropriately considered, effectively implemented, and yield intended results.

OBJECTIVES AND SCOPE

The objective of this follow-up audit is to determine whether management's action plans for the prior audit report recommendations are completed.

The audit scope covers the status for the 13 accepted recommendations included in the September 3, 2020, Audit of the Department of Finance Treasury Collections Office.

WHAT WE FOUND

Of the initial 13 recommendations made, the Department of Finance Treasury Collections Office has implemented 6 recommendations, partially implemented 3 recommendations, and not implemented 3 recommendations. One recommendation was no longer applicable due to a change in the process.

The Treasury Collections Office has made significant steps to remediate the risks identified in the audit. Implementation of an online payment system and the use of a lockbox to receive mailed in payments decreased manual entry processes. Treasury Collections is working to stop all payments received by their office, and with that change, three open recommendations will be closed. Details of the implementation status can be seen in **Appendix A**.

AUDIT FOLLOW-UP STATUS

The initial audit report encompassed all operations by the Treasury Collections Office during fiscal years 2017, 2018, and 2019. The audit report included 13 recommendations, all of which were accepted by management for implementation.

The Office of Internal Audit will close a recommendation only for one of the following reasons:

- The recommendation was effectively implemented.
- An alternative action was taken that achieved the intended results.
- Circumstances have so changed that the recommendation is no longer valid.
- The recommendation was not implemented despite the use of all feasible strategies or due to lack of resources. When a recommendation is closed for these reasons, a judgment is made on whether the objectives are significant enough to be pursued later in another assignment.

The scope of the follow-up audit included all 13 accepted recommendations that management implemented and reported to our office. Of the 13 accepted recommendations, the Department of Finance Treasury Collections Office has implemented 6 recommendations, partially implemented 3 recommendations, and not implemented 3 recommendations. One recommendation is no longer applicable. Details of the implementation status and updated implementation dates can be seen in **Appendix A**.

METHODOLOGY

To achieve the audit objectives, auditors performed the following steps:

- Reviewed the documentation provided by management as evidence of completion.
- Interviewed key personnel within the Department of Finance Treasury Collections Office and the Information Technology Services department.
- Performed test work on a sample of payments received in iReceivables.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our observations and conclusions based on our audit objectives.

AUDIT TEAM

Mary Cole, CPA, CISA, CFE, CGFM, In-Charge Auditor

Jessica Henderson, Assisting Auditor

Lauren Riley, CPA, CIA, CFE, ACDA, CMFO, Metropolitan Auditor

APPENDIX A – PRIOR RECOMMENDATIONS AND IMPLEMENTATION STATUS

The following table shows the guidelines followed to determine the status of implementation.

Table 1

Recommendation Implementation Status	
Implemented / Closed	The department or agency provided sufficient and appropriate evidence to support the implementation of all elements of the recommendation and the recommendation’s implementation caused or significantly influenced the benefits achieved.
Partially Implemented /Open	The department or agency provided some evidence to support implementation progress but not of all elements of the recommendation were implemented.
Not Implemented or No Longer Applicable	The department or agency did not implement a recommendation because: a) of lack of resources; b) an alternative action was taken that achieved the intended results; c) circumstances have so changed that the recommendation is no longer valid.

The following are the audit recommendations made in our original audit report dated September 3, 2020, and the current implementation status of each recommendation based on our review of information and documents provided by the Department of Finance Treasury Collections Office.

Recommendation	Implementation Actions	Outstanding Issues	Implementation Status
<p>A.1 – Implement an online taxpayer system that allows taxpayers to set up accounts, input tax form information, pay taxes due, and receive a receipt upon payment.</p> <p>Assessed Risk Level: High</p>	<p>This recommendation was implemented with the adoption of iReceivables tax software, to allow taxpayers to set up accounts, input tax information, pay taxes due, and receive receipts upon payment.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>A.2 – Perform periodic checks of taxpayer account information and payments to ensure they are properly recorded.</p> <p>Assessed Risk Level: High</p>	<p>Management performs a monthly reconciliation and does random transaction reviews to monitor recording of payments. However, since the original audit and follow-up noted instances of multiple incorrect applications of payments to accounts, a review specifically looking for this type of error is needed.</p>	<p>Implement a method to review payments for incorrect account application such as a report noting multiple payments to one account within a period.</p> <p>Revised Date/Comments: 4/15/2022</p>	<p>Partially Implemented</p>

APPENDIX A – PRIOR RECOMMENDATIONS AND IMPLEMENTATION STATUS

Recommendation	Implementation Actions	Outstanding Issues	Implementation Status
<p>A.3 – Implement procedures to ensure numbered receipts are issued to taxpayers for all payments received.</p> <p>Assessed Risk Level: High</p>	<p>iReceivables produces numbered receipts for tax payments received both online and via mail or lockbox.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>B.1 – Implement a collections system that has the capabilities to limit user access, create an audit log, and provide validation checks on data entered.</p> <p>Assessed Risk Level: High</p>	<p>iReceivables provides the capabilities to limit user access, create an audit log, and provide some validation checks on data entered.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>B.2 – Work with the Information Technology Services department to review the Microsoft Access database user list and remove users that do not need to review or write to the database. Determine read-only users that may request reports and data as needed instead of having direct access.</p> <p>Assessed Risk Level: High</p>	<p>Removed access to this database for all users that do not need to see it. This database is no longer used for customer payments. It is used for historical reference only.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>B.3 – Implement policies and procedures prohibiting the deletion of transactions and requiring a void of any erroneous transactions. Routinely perform checks of transaction numbers and document the reason for any missing transactions.</p> <p>Assessed Risk Level: High</p>	<p>With the implementation of iReceivables, there is no access to delete transactions and void capabilities are limited.</p>	<p>None</p>	<p>Implemented/ Closed</p>
<p>C.1 – Document and implement procedures to properly segregate the</p>	<p>The Treasury Collections Office closed the P.O. Box allowing direct mailings to the office. A lockbox</p>	<p>For the small number of payments still manually entered, duties should be</p>	<p>Partially Implemented</p>

APPENDIX A – PRIOR RECOMMENDATIONS AND IMPLEMENTATION STATUS

Recommendation	Implementation Actions	Outstanding Issues	Implementation Status
<p>duties of receiving, recording, and depositing payments received.</p> <p>Assessed Risk Level: High</p>	<p>was opened for mailed payments. However, some payees continue to mail payments to the general Finance Department P.O. Box. This causes a small number of payments to require direct entry by Treasury Collections office staff.</p> <p>Due to the COVID-19 pandemic, staffing at the Treasury Collections office is limited to one staff at a time. Thus, duties are not segregated so that work can be performed by one individual while in the office.</p>	<p>properly segregated. If Treasury Collections ends receipt of payments to the office, the recommendation will no longer be applicable.</p> <p>Revised Date/Comments: During the months of February and March, the Collections Office will be individually contacting all of the payees that send mail to the office and redirect it to the Lockbox. All mail arriving in April and thereafter will be redirected back to sender.</p>	
<p>C.2. – Maintain a daily log of payments received prepared by two staff members opening the mail, stamping it received, and initialing the log.</p> <p>Assessed Risk Level: High</p>	<p>There is currently no daily log of mail payments received or processed. The Treasury Collections Office closed the P.O. Box allowing direct mailings to the office. A lockbox was opened for mailed payments. However, some payees continue to mail payments to the general Finance Department P.O. Box. This causes a small number of payments to require direct entry by Treasury Collections office staff.</p>	<p>If payments are going to be received by the Treasury Collections Office, a mail log should be created as recommended. If payments are no longer accepted by mail to the Treasury Collections Office, the recommendation will no longer be applicable.</p> <p>Revised Date/Comments: As recommended by the GFOA, our employees who handle money pass a background check before being hired by Metro Finance. But ultimately, post March, we will not process checks in the mail.</p>	<p>Not Implemented</p>
<p>C.3 – Deposit all payments received within one business day of receipt and record all receipts into the Microsoft Access database daily.</p> <p>Assessed Risk Level: High</p>	<p>For payments made online via iReceivables and payments received in the lockbox, payments are deposited within one business day of receipt. For the small number of payments mailed, receipt date could not be determined since the mail is not date stamped. Therefore, deposit timeframe could not be</p>	<p>Mail should be stamped with receipt date to ensure deposit within one business day. If payments are no longer accepted by mail to the Treasury Collections Office, the recommendation will no longer be applicable.</p>	<p>Partially Implemented</p>

APPENDIX A – PRIOR RECOMMENDATIONS AND IMPLEMENTATION STATUS

Recommendation	Implementation Actions	Outstanding Issues	Implementation Status
	determined. However, testing of 10 deposits noted all selections were deposited either the day before or the day of documentation entry into iReceivables.	Revised Date/Comments: Collections PO Box has been closed	
<p>C.4 – Implement procedures for an independent staff member to reconcile the mail log to the daily receipts in the Microsoft Access database.</p> <p>Assessed Risk Level: High</p>	The Microsoft Access database is no longer used to record payments. The recommendation is no longer applicable.	None	No longer applicable
<p>C.5 – Count the change fund at regular intervals and maintain the complete documentation with signatures of who counted it, the amount, and have an independent person review and sign it.</p> <p>Assessed Risk Level: High</p>	Procedures have been implemented and an independent documented verification process is in place. A review the documented counts was performed, and procedures were being followed.	None	Implemented/ Closed
<p>D.1 – Coordinate with other Metropolitan Nashville agencies to obtain population listings for collections. Implement procedures to compare taxpaying entities to the full population listings on a routine basis.</p> <p>Assessed Risk Level: High</p>	Discussions between the Treasury Collections Office and other Metropolitan Nashville agencies to determine the best data sources have occurred. However, procedures and utilization of data have not been completed.	Create procedures to compare the data from other departments to ensure a full population for collections. Revised Date/Comments: Enlisted County Clerk for assistance. 4/15/2022	Not Implemented
<p>D.2 – Document and implement procedures to monitor account payments and determine procedures for notifying entities of missed payments.</p> <p>Assessed Risk Level: High</p>	There are currently no procedures in place to monitor account payments.	Document and implement procedures to monitor account payments and create notification for missed payments. Revised Date/Comments: Quarterly 4/15/22	Not Implemented

METROPOLITAN NASHVILLE GOVERNMENT OFFICE OF INTERNAL AUDIT



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2022 AUDIT WORK PLAN

February 1, 2022, through January 31, 2023

Recommended to:
Metropolitan Nashville Audit Committee
February 8, 2022

Execute a Focused Audit Plan



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

February 8, 2022

Metropolitan Nashville Audit Committee Members:

The Metropolitan Nashville Office of Internal Audit solicited requests for potential audit areas from Metropolitan Nashville management, council members, and internal audit staff in preparing this plan. The recommended plan attempts to address requested audits along with identifying the risks that matter and provide enterprise-wide audit coverage. Exhibit A below describes the allocation of 13,750 resource hours needed to complete new audit engagements, follow-up engagements, and investigation engagements during the 2022 internal audit plan year.

Exhibit A – 2022 Audit Work Plan Allocation of Work Hours

<i>Status</i>	<i>Number of Projects</i>	<i>Budget Work Hours</i>
2021 Audits Currently In-Progress	8	3,150
New 2022 Performance Audits	14	7,800
Prior Audit Follow-Up(s)	4	800
<i>Total Audit Projects</i>		<u>11,750</u>
Hub Nashville Coordination		100
Investigation Requests	2	700
Non-audit advisory services		400
Unforeseen Audit Requests		800
<i>Total Report Deliverables</i>		<u>13,750</u>

I have reviewed the recommended audit work plan and believe the Office of Internal Audit staff, along with contracted specialists, possess the adequate professional competence to address potential audit engagement objectives. Also, I believe the Office of Internal Audit can maintain objectivity while performing the recommended audit engagements.

I am requesting members of the Metropolitan Nashville Audit Committee to review and approve the 2022 Audit Work Plan. The Office of Internal Audit goal will be to **complete 17 audit engagements and audit follow-up engagements during the 2022 plan year**. We have also anticipated approximately two full investigation engagements during the year.

Sincerely,

Lauren Riley
Metropolitan Auditor

Attachment A – CY 2022 Audit Plan

*Co-source	CY 2021 Audits in Progress	Hours
1	Barnes Fund Operations and Follow-Up	400
2	Metro Water Services Water and Sewer Collections	400
3	Agricultural Extension Service	400
4	Nashville General Hospital Human Resources Process	500
5	Metro Nashville Public Schools Procurement	100
6	Open Records Request Fulfillment Process	500
7	Social Services – Homelessness Impact Division	800
8	Health Department – Information Technology Security Management and Governance	50
CY 2022 New Audit Areas		
9	NDOT Parking Management (<i>Carry Forward</i>)	600
10	Office of Internal Audit Peer Review (<i>Carry Forward</i>)	100
11	Coronavirus Relief Funds Spending Process (<i>Carry Forward</i>)	800
12	Metropolitan Council Staff	600
13	Sports Authority / General Services - MLS Soccer Stadium Construction Project	800
14	Metro Human Resources New Hire / Promotions On-Boarding Process	600
15	Metro Nashville Police Department Early Intervention	800
16*	Metro Nashville Disaster Recovery Planning Process	200
17	License Plate Readers Pilot Program	600
18	Criminal Court Clerk	600
19	Sheriff's Office Locally Sentenced Felons Cost Settlement	600
20	MNPS Building Accessibility and Security	800
Information Technology Risk		
21	Community Development and Regulation Implementation Project	600
22*	PCI-DSS Compliance Assessment	100
Audit Recommendation Follow-up		
23	Recommendation Implementation Follow-Up Audits	800
	Total Audit Services	11,750

Attachment A – CY 2022 Audit Plan

Other Potential Audit Engagements		
A	Terminated/Separated Employee Offboarding	600
B	General Services Building Maintenance	600
C	Metro Water Services Grease Mitigation Process	600
D	MNPD Confiscated Funds and Evidence Room	600
E	Metro-Wide Credit Card Usage, Monitoring, and Controls	800
F	General Sessions Court Staffing and Security	800
G	Mayor’s Office Sustainability Projects	600
H	Sheriff Work Release and Inmate Trust	800
I	Sold Property Tax Receivables	600
	<i>Total Other Potential Audit Engagements</i>	<i>6,000</i>
Total Recommended 2022 Audit Services Effort		
	Audit Services	11,750
	Investigation Services	800
	Special Projects	400
	Unforeseen Requests	800
	<i>Total</i>	<i>13,750</i>

Attachment B – CY 2022 Risk Prioritization Objectives and Risks

Office of Internal Audit Mission

Independent Appraisal

1. **Integrity** - resources are used for the intended purpose
2. **Equality** - services are accessible to citizens
3. **Accountability** - internal control environment, track performance measures
4. **Effectiveness** - entities mission and objective are being achieved
5. **Efficiency** - prudent (cost effective) use of resources

Metro Service Delivery Objectives

Metric Used to Measure Inherent Risk Impact

1. Government services do not waste or abuse financial resources. (Integrity)

Risk: Revenue or cash collected is diverted for unintended use	(C) Total Fees & Collection
Risk: Payment for material or service is diverted for personal use	(D) Vendor Payments
Risk: Payroll is diverted for personal use	(F) % Payroll Not Regular Pay
Risk: Employee time is used for personal use	(E) Budget FTEs
Risk: Equipment, material, or information is diverted for personal use	(D) Vendor Payments

2. Government provides equal access to services. (Equality)

Risk: Some participants allowed to by-pass service eligibility requirements	(H) Number of Citizens Served
Risk: Favoritism in employment selection or promotion process	(J) HR Transactions
Risk: Procurement request for bids contain unnecessary qualifications, bundling of scope of work, or insurance requirements	(D) Vendor Payments

3a. Government services are managed. (Effectiveness)

Risk: Strategies not clearly defined, aligned, communicated or understood.	(I) Number of Programs
Risk: Process policies, procedures, and tasks have not been defined or obsolete.	(I) Number of Programs
Risk: People are not trained or held accountable for performance.	(E) Budget FTEs

3b. Government services are accomplished as citizens envisioned. (Effectiveness)

Risk: Services are not aligned with stakeholders expectations	(H) Number of Citizens Served
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4. Government services are cost-effective without reducing quality. (Efficiency)

Risk: Pay too much for material or services	(G) Expense Value
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5. Government services are subject to independent appraisal. (Accountability)

Risk: Independent audit appraisal has not been performed	(B) Last Audit Month
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Attachment B – CY 2022 Risk Prioritization Objectives and Risks

Mayor's Priority Objectives

- | | |
|---|----------------------------------|
| a. Public Safety. (Strategy) | (A) Public Safety Impact Yes/No |
| b. Education (Strategy) | (A) Education Impact Yes/No |
| c. Affordable Housing (Strategy) | (A) Housing Impact Yes/No |
| d. Transportation (Strategy) | (A) Transportation Impact Yes/No |
| e. Neighborhoods (Strategy) | (A) Neighborhood Impact Yes/No |

Attachment B – CY 2022 Risk Prioritization Objectives and Risks

Risk Impact Metric	Source	High	Medium	Low
A. Mayor's Priority- Impact	OIA Assumption	Entire Population	Subset Population	No Impact
B. Last Audit Month	OIA Project Records	GT 4 Years ('17 or older)	3 to 4 Years ('18 or '19)	LT 2 Years ('20 or '21)
C. Total Fees and Collection	OMB Budget to Actual Report (BAR) June 2021	GT \$6 Million	\$6 Million to \$1 Million	LT \$1 Million
D. Vendor Payments	OMB Budget to Actual Report (BAR) June 2021	GT \$6 Million	\$6 Million to \$1 Million	LT \$1 Million
E. Budget FTEs	FY 2021 Budget	GT 250	250 to 50	LT 50
F. Percent Payroll Not Regular Pay	OMB Budget to Actual Report (BAR) June 2021	GT 17%	17% to 7%	LT 7%
G. Expense Appropriation Value	OMB Budget to Actual Report (BAR) June 2021	GT \$15 Million	\$15 Million to \$2 Million	LT \$2 Million
H. Number of Citizens Served	OIA Assumption	Entire Population	Subset Population	Primarily Metro Internal Stakeholders
I. Number of Programs	FY 2021 Business Units with Budget Amounts Assigned to Entity	GT 15 Programs or unknown	Between 15 and 5 Programs	LT 5 Programs
J. HR Transaction	EBS/R12 HR Transactions for Promotions or New Hire – CY 2021	GT 50	50 to 11	LT 10

Note: Financial information for component units, fiduciary funds, funds held in trust, and other auditable entities were taken from the *Metropolitan Nashville Budget Versus Actual Report June 30, 2021, FY 2020 Comprehensive Annual Financial Report, or FY 2022 Budget Ordinance*.

Attachment C - CY2022 Metro-Wide Inherent Risk Prioritization Worksheet

Entity	Plan	Risk Score	Last Audit Date	Months Overdue
38-Health	✓	2.64	5/10/2017	0
31-Police	✓✓	2.55	9/14/2021	0
30-Sheriff	✓	2.55	10/31/2017	0
32-Fire		2.46	3/2/2021	0
42-Nashville Dept of Transportation (Public Works)	✓	2.46	11/4/2021	0
65-Water & Sewer Services	✓	2.36	4/26/2021	0
26-Juvenile Court		2.27	3/31/2016	0
40-Parks and Recreation		2.27	7/28/2020	0
80-MNPS General Purpose Fund	✓✓	2.18	11/6/2020	0
39-Library		2.09	7/28/2020	0
27-General Sessions Court		2.00	1/28/2019	0
75-Metro Action Commission		2.00	7/6/2018	0
23-Circuit Court Clerk		1.91	10/9/2013	30
28-State Trial Courts		1.91	7/28/2020	0
14-Information Tech Services	✓✓	1.82	12/23/2019	0
15-Finance		1.82	6/9/2021	0
33-Codes Administration		1.82	3/2/2021	0
49-Office of Emergency Management	✓	1.82	4/4/2014	24
91-Emergency Communication Center		1.82	4/28/2021	0
18-County Clerk		1.82	3/24/2015	12
19-District Attorney		1.82	9/21/2011	54
21-Public Defender		1.82	9/24/2021	0
37-Social Services	✓	1.82	8/20/2014	19
06-Law		1.73	10/10/2017	0
10-General Services	✓	1.73	12/1/2020	0
16-Assessor of Property		1.73	5/1/2017	0
24-Criminal Court Clerk	✓	1.73	12/20/2011	51
07-Planning Commission		1.73	12/23/2019	0
60-Farmers Market		1.64	8/18/2016	0
70-Community Education Commission		1.64	10/31/2014	17
02-Council Staff	✓	1.55	10/19/2010	66
04-Mayor's Office	✓	1.55	12/23/2019	0
51-Office of Family Safety		1.55	4/3/2018	0
09-Register of Deeds		1.46	1/24/2019	0
22-Juvenile Court Clerk		1.46	4/26/2021	0
05-Elections		1.46	11/6/2020	0
08-Human Resources	✓	1.46	12/23/2019	0
11-Historical Commission		1.46	1/26/2015	14
29-Justice Integration Services		1.46	10/22/2014	17
41-Arts Commission		1.46	12/23/2019	0
62-State Fair		1.46	11/23/2016	0
68-District Energy System		1.46	4/24/2014	23
Forensic Medical Examiner(01101614)		1.36	4/14/2015	11
17-Trustee		1.36	3/2/2021	0
25-Clerk and Master of the Chancery Court		1.36	3/18/2016	0
35-Agricultural Extension Serv	✓	1.27	6/15/2010	70
47-Criminal Justice Planning		1.18	5/8/2014	22

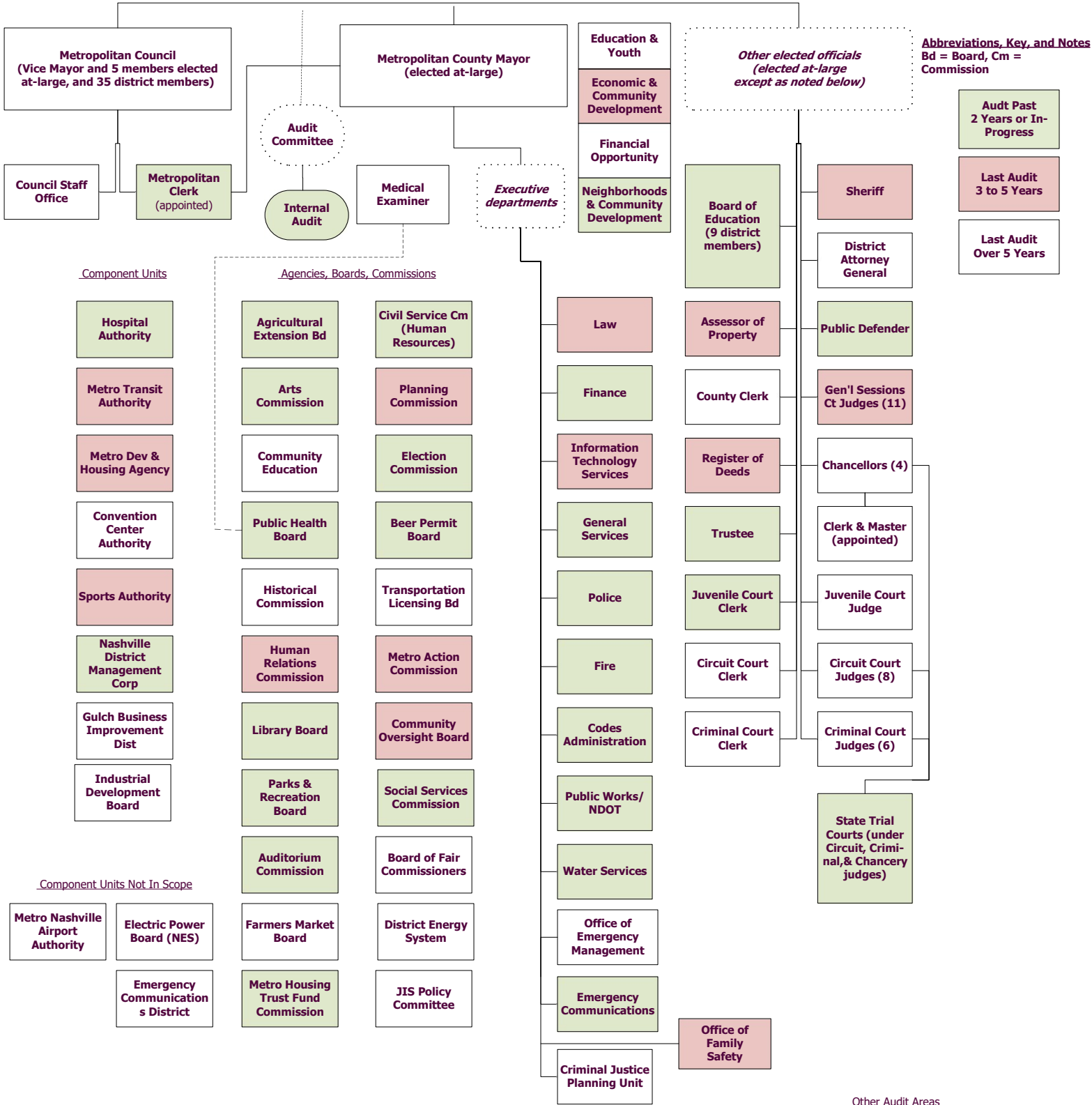
✓ Audit In Progress
✓ 2022 New Audit

Attachment C - CY2022 Metro-Wide Inherent Risk Prioritization Worksheet

34-Beer Board		1.18	3/2/2021	0
44-Human Relations Commission		1.18	12/6/2018	0
61-Municipal Auditorium		1.18	3/24/2020	0
03-Metropolitan Clerk	✓	1.09	12/27/2019	0
48-Office of Internal Audit	✓	1.00	12/23/2019	0
52 - Community Oversight Board		1.00	11/6/2018	0
<u>Fiduciary Funds</u>				
FF-Metro Employees' Benefit Trust		1.46	10/21/2021	0
FF-Teachers' Retirement Plan		1.46	10/21/2021	0
FF-Employees' Pension and Insurance		1.27	7/29/2009	81
FF-Closed City Plan		1.27	10/21/2021	0
FF-Teachers' Civil Services and Pension		1.27	10/21/2021	0
FF-Metro Employees' Flex Benefits		1.18	1/1/2008	100
FF-Davidson County Employees' Retirement		1.09	10/21/2021	0
FF-Education Flex Benefits		1.00	1/1/2008	100
<u>Trust Funds</u>				
TF-Circuit Court Clerk		1.46	9/3/2015	6
TF-Clerk and Master		1.46	3/18/2016	0
TF-Sold Property Tax Recv		1.46	1/1/2008	100
TF-County Clerk		1.27	3/24/2015	12
TF-Criminal Court Clerk		1.27	12/20/2011	51
TF-County Register (ROD)		1.27	4/17/2012	48
TF-Juvenile Court Clerk		1.09	3/17/2021	0
TF-Sheriff Work Release & Inmate Trust		1.09	6/12/2009	82
TF-Planning Performance Bonds		1.09	2/14/2014	25
<u>Component Units</u>				
CU Metropolitan Transit Authority		1.91	5/31/2018	0
CU Metropolitan Nashville Hospital Authority	✓	1.91	7/28/2020	0
CU Emergency Communication District		1.82	4/28/2021	0
CU Sports Authority	✓	1.64	4/24/2017	0
CU Industrial Development Board		1.55	12/16/2013	27
CU Nashville District Management Corp		1.27	11/6/2020	0
CU Gulch Business Improvement District		1.27	10/13/2011	54
<u>Component Units Partial In-Scope or Out-of-Scope</u>				
CU Metropolitan Nashville Airport Authority		2.18	1/1/2008	100
CU Electric Power Board (NES)		2.09	1/1/2008	100
CU Nashville Convention Center Authority		1.91	4/30/2013	35
CU Metropolitan Development & Housing Agency		1.82	4/4/2018	0

✓	Audit In Progress
✓	2022 New Audit

Attachment D - Office of Internal Audit Coverage Map



Funds Held In Trust

Circuit Court Clerk	Clerk & Master	Criminal Court Clerk
Sold Property Tax Recv	Sheriff Work Release & Inmate	Planning Performance Bonds

Fiduciary Funds

Juvenile Court Clerk	Davidson County Employees' Retirement	Metro Employees' Benefit Trust	Employees' Pension & Insurance	Metro Employees' Flex Benefits Plan
	Teachers' Retirement Plan	Closed City Plan	Teachers' Civil Services and Pension	Education Flex Benefits Plan

Other Audit Areas

4% Reserve Fund	Hotel Tax Fund
Debt Services	Capital Projects
Regional Transportation Planning	Insurance Reserves
Correctional Health Care	Judgment & Losses

Advisory/Appeal Boards

Tourist Commission	Beautification Bureau	CATV Special Committee	Public Records Commission	Charter Revision Committee	Safety Advisory Board	Historical Zoning Commission
Board of Equalization	Fire & Building Codes Board	Plumbing Examiners Bd	Electrical Examiners Bd	Housing Code Appeals Board	Zoning Appeals Board	Health & Ed Facilities Board

Attachment E
Key Departmental Audit Project History
As of January 31, 2022

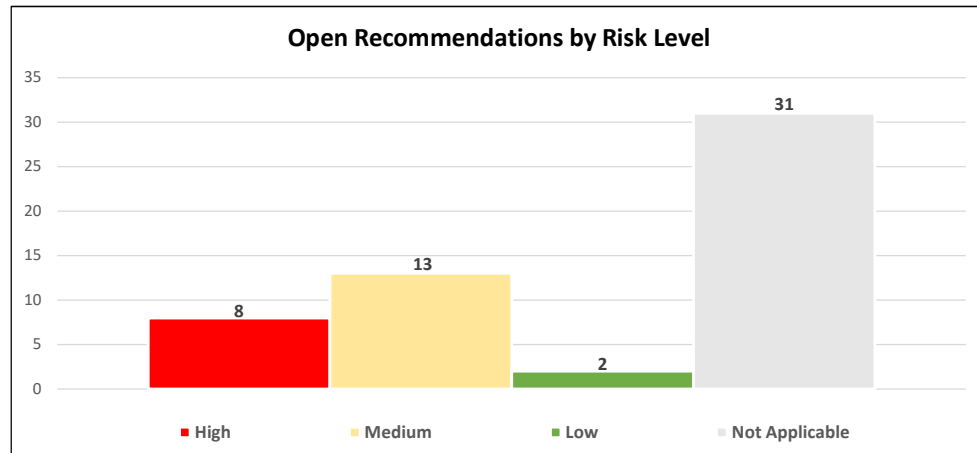
Department Name	Internal Audit Reports Issued FY 2007 - 2022
Metropolitan Nashville Public Schools	FY2021/Public Schools Capital Projects FY2019/Public Schools Financial Matters FY2019/Public Schools Purchasing Cards FY2017/Public Schools Performance Reporting Process FY2015/Metropolitan Nashville Public School System FY2013/Public Schools Custodial Outsourcing FY2012/Public Schools Payroll Process FY2011/Public Schools Food Service Program FY2010/Public Schools Information Security Management
Police Department	FY2022/Police Department Revenues FY2016/Police Department Secondary Employment FY2015/Police Department Active Directory Services FY2014/Police Department Firearms and Equipment Tracking FY2011/Police Department Crime Statistical Reporting Process FY2009/Police Department Vehicle Impound
Fire Department	FY2020/Fire Marshal's Office FY2016/Fire Department Payroll Process FY2014/Fire Department Grant Administration FY2013/Fire Department Drug Inventory Management FY2008/Fire Department Emergency Medical Services
Public Works / NDOT	FY2022/Public Works Collections FY2017/Public Works Traffic Signalization Project FY2015/Public Works Parking Management FY2013/Public Works Contract Monitoring FY2009/Public Works Traffic Operations FY2008/Public Works Solid Waste Management
Water Services	FY2021/Metro Water Services Billing FY2019/Metro Water Services Fire Hydrant Inspection and Maintenance Process FY2019/Metro Water Services Process Control Systems Security FY2018/Metro Water Services Payroll FY2015/Metro Water Services Cash Collections FY2014/Metro Water Services Home Buyout Program FY2010/Metro Water and Sewer Billing and Collections FY2016/FY2015/FY2014/Metro Water Service Clean Water Nashville Overflow Abatement Program
General Services Department	FY2021/Downtown Detention Center FY2019/Office of Fleet Management Follow-Up FY2017/First Tennessee Ballpark Construction FY2016/Radio Services Communications Division FY2013/Fuel Management FY2010/Capital Projects Governance Process FY2009/Facility Security
Sheriff's Office	FY2018/Sheriff's Office Information Security Management

Attachment E
Key Departmental Audit Project History
As of January 31, 2022

	FY2015/Sheriff's Office Firearms and Equipment Inventory FY2009/Sheriff's Office Revenue and Collections
Public Health Department	FY2016/Public Health Immunization Program FY2013/Public Health Drug Inventory Management FY2009/Public Health Department Food Protection Services FY2007/Public Health Department Animal Control Facilities
Information Technology Services	FY2018/Information Technology Services Software Management FY2017/Information Technology Services Email Services FY2014/Information Technology Services Telecom Services FY2013/Information Technology Service Certificate Services FY2011/Information Technology Services Active Directory Services FY2009/Information Technology Services Security Management
Finance Department	FY2022/Pension Investments FY2020/Treasury Department – Collections Office FY2020/Cooperative Purchases Best Practices FY2019/Finance Purchasing and Business Assistance Office FY2016/Finance OMB Revenue Forecasting FY2016/Finance General Reserve Funding Capital Asset Process FY2015/Unusual Financial Related Transactions FY2013/Finance Metro Investment Pool FY2011/Finance Accounts Payable Process

Implementation Status Update as of January 31, 2022

Audit Department List	Year	# Accepted	Open Recommendations Before Follow-Up	Implementation Due by 1/31/2022	Open Recs After Response	Notes
Assessor's Office	2014	14	3	X	3	Revised Date
Historic Zoning and Historical Commission Work Force	2015	7	1		1	
Parks and Recreation Maintenance Division	2015	2.5	1		1	
General Government Occupational Safety Program	2017	24	23		23	
Finance Department Procurement And Business Assistance Office	2018	13	1		1	
Metro Water Services Fire Hydrant Inspections	2018	10	2	X	2	Revised Date
Municipal Auditorium	2019	6	4	X	4	Revised Date
NGH Pharmacy Operations	2019	17	1	X	1	Revised Date
Election Commission Information Systems	2020	8	1	X	1	Revised Date
Criminal Justice Center Project	2020	5	1		1	
State Trial Courts Drug Court 4	2020	16	1		1	
Trustee	2021	7	2	X	1	Revised Date
Metro Water Services Billing Process	2021	2	1	X	1	Revised Date
Fund Commitments, Restrictions, and Assignments	2021	2	1		1	
Public Defender's Office	2021	3	3		3	
Property Standards Complaints Process	2021	8	4	X	1	Revised Date
Pension Investments	2021	6	6		6	
Public Works Revenue Collections	2021	16	13	X	2	
			69		54	



**Recommendation Implementation Changes
As of January 31, 2022**

Audit/Investigation Name	Responsible Entity	Recommendation	Response	Due Date	Risk	Latest Update	Revised Due Date
Assessor of Property	Assessor of Property	Seek vendor consultation on disabling the "Allow direct updates to system tables" setting and upgrading the SQL database to a version later than 2005. These later versions provide an application login feature which can eliminate the need to setup user accounts with any database role. User authentication should only be performed at the application level, not the server and/or database level.	Agree. The SQL database has been upgraded to 2008 and the Office has initiated discussions with its vendor on a solution to ensure that user authentication will be performed only at the application level.	12/31/2021	N/A	The CAMA system is progressing and still in the development stages but is anticipated to be completed by the end of this year.	12/31/2022
Assessor of Property	Assessor of Property	Establish database level audit trails to capture sensitive and critical activities. Procedures should be established to systematically review audit results, document any anomalies, and record investigation results.	Agree. The Office is working with Metro ITS and Patriot Properties to develop database level audit trails and procedures to systematically review audit results, document any anomalies, and record investigation results.	12/31/2021	N/A	The CAMA system is progressing and still in the development stages but is anticipated to be completed by the end of this year.	12/31/2022
Assessor of Property	Assessor of Property	Disable the default administrative account "sa" and remove all generic accounts.	Partially Agree. The Office is working with Patriot Properties to explore possible solutions to disable the default administrative account. The Office has disabled the one generic account that had permissions. The Office plans to maintain a generic read-only account for seasonal and/or temporary staff.	12/31/2021	N/A	The CAMA system is progressing and still in the development stages but is anticipated to be completed by the end of this year.	12/31/2022
Fire Hydrant Inspection and Maintenance Process	Metro Water Services	Review repair data over a certain period to determine if priority codes need to be revised to suit current operational conditions.	Accept – MWS is currently reviewing products to replace Mobile Workforce Management (MWM). We will review the priority codes when we implement the new software.	12/31/2021	N/A	Proposals for the RFP for the Mobile Workforce Management system have been received and are currently being reviewed. It is a 2 step process and they are currently in the first step to review which firms will go on to the second phase of the evaluation process. I anticipate it will take several more weeks to get award and a contract executed. After that we will have to go through implementation.	6/30/2022
Fire Hydrant Inspection and Maintenance Process	Metro Water Services	Periodically sample and review hydrant information in Hansen for reasonableness and retain evidence of such reviews. This should include hydrants that have in-service (IS) status but have no inspection and flow-test data.	Accept – Hydrant data is reviewed but repair times from MWM are not changed. MWS is evaluating new software to replace MWM to address the problems with reliable timestamps. System Services and Engineering will review the in-service process.	12/31/2021	N/A	Proposals for the RFP for the Mobile Workforce Management system have been received and are currently being reviewed. It is a 2 step process and they are currently in the first step to review which firms will go on to the second phase of the evaluation process. I anticipate it will take several more weeks to get award and a contract executed. After that we will have to go through implementation.	6/30/2022
Metro Water Services Billing	Metro Water Services	Explore options to log all calls on a detailed basis. Determine adequate categories and measures for calls and evaluate calls to determine additional needs of customers. Implement policies and procedures that ensure a consistent level of detail for both internal and external communication about accounts.	Accept: MWS is in the process of developing an RFP for the replacement of the IVR which will assist in categorizing and measuring calls. We recently hired a trainer who is documenting procedures and determining policy needs, ensuring a consistent level of detail concerning the communication of accounts. MWS will consider hiring a CSC Public Information Advocate with the intent that consumers are better informed therefore reducing call volume.	1/31/2022	M	The go live date for the new IVR system is July 2022.	8/31/2022
Trustee's Office	Trustee	Ensure policies and procedures are updated to reflect current practices and are reviewed and revised annually.	Accept – The office will review the policies and procedures on record and update those to reflect the current procedures.	12/31/2021	M	This finding is related to eGov implementation. The plan was to write policies and procedures based on the new software which was to be installed last spring. The office has written policies and procedures for cash collections based on the current software, but the other portions of procedures remain open until software is completely updated.	10/31/2022

**Recommendation Implementation Changes
As of January 31, 2022**

Election Commission Information Systems	Election Commission	ITS Management should ensure that Election Commission workstations are configured under a separate group policy to enforce lockouts that meet the Tennessee Elections Security Standard.	Accept: The settings stated by the auditor are accurate. Metro ITS can configure these settings to those specified in the standard. It is our belief that the settings configured by Metro ITS reduces the chance of automated process of brute forcing the passwords while reducing the chance of account lockouts resulting from a denial of service-based attack. We have compensating controls in place, including monitoring of failed logon attempts with System Center Operations Manager and Microsoft's Advanced Threat Analytics. Metro ITS will coordinate with the Election Commission to determine how best to configure systems to comply with the Tennessee Elections Standard.	12/31/2021	M	The Election Commission is currently working with the State to determine the best implementation option. ITS is prepared to work with the Election Commission once next steps are determined.	6/30/2022
NGH Pharmacy Operations	Nashville General Hospital	Establish a physical inventory methodology as part of the inventory management process within the Nashville General Hospital inpatient and Community Pharmacy. Inventory shrinkage over a specified percentage should be investigated. For example, cycle counting could be used for medications with a high cost.	Accept – The Pharmacy Department will implement a methodology within the inpatient pharmacy department as well as the Community Pharmacy for a physical inventory process.	12/31/2021	H	Currently the Pharmacy department does not have an inventory management software driven process. They also do not currently have the capability to manage this manually either. The hospital is looking to implement new medication dispensing cabinets and we have also included inventory management software as part of that bid process. However we are just in the bid review stage and have not made a decision on a vendor or on timeline to do that implementation.	12/31/2022
Property Standards Complaints Process	Codes and Building Safety	Establish documented procedures and goals for initial inspection timelines.	Accept. We will establish a goal of making all initial inspections within 48 hours of their being input into CityWorks.	10/31/2021	M	Codes has had issues with COVID impacting our staff and vacancies due to retirements that have slowed our progress towards this goal. However, with the hiring of new inspectors to fill our vacancies, we anticipate reaching this goal very soon.	6/30/2022
Municipal Auditorium	Municipal Auditorium	Work with the Department of Finance to ensure capital assets are tracked throughout the asset's life cycle. This would include documentation of permanent or temporary transfers, disposals, and/or write-offs of missing or impaired assets.	Per Municipal Auditorium, a plan is in place to begin this in the summer of 2021, but nothing has been done as of this follow-up.	10/31/2021	M	Municipal Auditorium is getting a new analyst in the Department of Finance to work on completing this recommendation.	6/30/2022
Municipal Auditorium	Municipal Auditorium	Annually conduct a physical inventory of capital and tracked assets to Metro Nashville Department of Finance, Division of Accounts.	Per Municipal Auditorium, no inventory has been taken as of the date of this follow-up, but a plan is in place to schedule an inventory in the summer of 2021.	10/31/2021	M	Municipal Auditorium is getting a new analyst in the Department of Finance to work on completing this recommendation.	6/30/2022

**Metropolitan Nashville Office of Internal Audit
Audit Project Status
As of January 31, 2022**

Audit Plan Year February 2021 to January 2022	Report Phase					
	Projects	Planning	Fieldwork	Report	Draft	Final
1) Juvenile Court Clerk Cash Collections and Trust Management						Mar-21
2) Emergency Communication Center						Mar-21
3) Metro Water Services Water Billing						Mar-21
4) NGH Procurement Follow-Up						Apr-21
5) NGH Pharmacy Operations Follow-Up						Mar-21
6) Fund Restrictions, Commitments, and Assignment						Jun-21
7) MNPD Fiscal Management						May-21
8) Public Defender						Sep-21
9) Public Works Revenues						Nov-21
10) Metro Nashville Employee Benefit Board Pension Investments						Oct-21
11) Health Department IT Security and Governance (Kraft CPAs)				✓	Dec-21	
12) Municipal Auditorium Follow-Up						May-21
13) MNPS Procurement Process				✓	Nov-21	
14) Codes Complaints Process						Oct-21
15) Drug Court 4 Audit Follow Up						Nov-21
16) Library Security Follow Up						Dec-21
17) EEOC Form 164 Follow Up						Dec-21
18) Codes Fuel Card Follow Up						Nov-21
19) Arts Commission Follow Up						Jan-22
20) Treasury Collections Follow Up						Feb-22
21) MWS Collections			✓			
22) Barnes Fund			✓			
23) General Government Benefits Follow Up			✓			
24) Nashville General Hospital Human Resources	✓					
25) Agricultural Extension	✓					
26) Open Records Requests	✓					
27) Social Services Homelessness Impact Division	✓					
Completed Investigations						Final
1) Nashville General Hospital Investigation						Dec-21
Metro Integrity Line Alerts - February 2021 to February 2022				Total	Closed	Pending
Metro Hotline Alerts (Fraud, Waste, & Abuse)				18	18	0

Note: Goal to complete 17 audit projects for Plan Year 2021. Currently 18 completed audit projects and 2 projects in the draft phase.

**Office of Internal Audit Budget versus Actual
GSD General Fund as of January 31, 2022
FY 2022 Approved Budget**

		FY 2022 Budget	Actual	Difference	Notes
Total Salaries & Fringe		\$ 1,252,600	\$ 595,126	\$ 657,474	
Other Expenses					
Professional & Purchased Services		\$ 192,200	\$ 23,138	169,062	
Building Rent Parkway Towers		\$ 59,500	\$ 38,319	21,181	
Other Expenses		\$ 77,600	\$ 11,583	66,017	
Internal Service Fees		\$ 51,300	\$ 29,925	21,375	Information Technology
TOTAL EXPENSES		\$ 1,633,200	\$ 698,090	\$ 935,110	43% of budget used to date

Office of Internal Audit Budget History				
For the year ending June 30,	Co-sourcing Audit Budget	Total Budget	Co-sourcing Percent of Budget	FTE
2012	165,000	1,265,400	13%	10
2013	156,200	1,277,900	12%	10
2014	60,200	1,179,300	5%	10
2015	45,100	1,214,900	4%	10
2016	75,100	1,290,400	6%	10
2017	125,100	1,382,900	9%	10
2018	248,000	1,545,700	16%	10
2019	248,000	1,566,100	16%	10
2020	248,000	1,574,900	16%	10
2021	195,800	1,565,100	13%	10
2022	192,200	1,633,200	12%	10

Metropolitan Nashville Office of Internal Audit

Executive Team

Lauren Riley

MAcc, CPA, CIA, CFE, ACDA, CMFO
Metropolitan Auditor

Project and Office Management Leadership

William (Bill) Walker

CPA, CIA, CFE

Audit Manager

Seth Hatfield

MAcc, CPA, CIA, CFE

Principal Auditor

Project Quality, Milestone/Project Budget Monitoring, Hotline Support,
Training Plans, GAGAS Compliance, Office Support, etc.

Audit Talent Pool

Innocent Dargbey

MS-Finance, MBA,
CPA, CMFO, CICA
Senior Auditor

James Carson

MBA, CIA, CFE
Senior Auditor

Mary Cole

MAcc, CPA, CFE, CISA,
CGFM
Senior Auditor

Nan Wen

MS-Info Sys, MS-
Acctg, CPA
Senior Auditor

Laura Henry

MAcc, CFE
Senior Auditor

Elizabeth Andrews

CFE
Auditor I

Jessica Henderson

Auditor I

**METROPOLITAN NASHVILLE AUDIT COMMITTEE
2022 MEETING PLAN**

Meeting Date	Proposed Agenda Topics
February 8, 2022 (Tuesday)	<ul style="list-style-type: none"> • Office of Internal Audit Annual Performance Report • Internal Audit Annual Work Plan approval • Internal Audit issued report discussion • Open Audit Recommendations Status
April 12, 2022 (Tuesday)	<ul style="list-style-type: none"> • Election of Chairman and Vice Chairman • External Audit Single Audit and Management Letter presentation • Metropolitan Auditor performance review • Internal Audit issued report discussion • Open Audit Recommendations Status
June 14, 2022 (Tuesday)	<ul style="list-style-type: none"> • FY2022 External Audit plan and required communications • Internal Audit issued report discussion • Open Audit Recommendations Status
September 13, 2022 (Tuesday)	<ul style="list-style-type: none"> • Metropolitan Audit Committee self-assessment • Bylaws annual review • Internal Audit issued report discussion • Open Audit Recommendations Status • External Audit Comprehensive Annual Financial Report Audit Progress Executive Session
November 8, 2022 (Tuesday)	<ul style="list-style-type: none"> • Internal Audit issued report discussion • Open Audit Recommendations Status • External Audit Comprehensive Annual Financial Report Audit Progress Executive Session
December 13, 2022 (Tuesday)	<ul style="list-style-type: none"> • External Audit Comprehensive Annual Financial Report • Open Audit Recommendations Status • Internal Audit issued report discussion

Audit Committee

Metropolitan Code of Laws Section 2.24.300
Term-varied
6 Members

		<u>Date of Appt.</u>	<u>Term Exp.</u>
Mr. C. Thomas Bates	Vice Chair	3/22/2021	3/31/2025
5257 Fredericksburg Way East Brentwood, TN 37027- (615) 504-2425 tombates@bcpas.com Representing: Nashville Chapter of the TSCPA			
Ms. Kelly Flannery		10/5/2021	8/31/2023
One Public Square, Suite 106 Nashville, TN 37201- (615) 862-6151 kelly.flannery@nashville.gov Representing: Metropolitan Director of Finance			
Ms. Sharon Hurt		10/5/2021	8/31/2023
One Public Square, Suite 204 Nashville, TN 37201- (615) 862-6151 sharon.hurt@nashville.gov Representing: Metropolitan Council			
Mr. Brack Reed	Chair	2/20/2015	3/20/2023
222 Second Avenue South #1400 Nashville, TN 37201- (615) 770-8100 brack_reed@gspnet.com Representing: Nashville Area Chamber of Commerce			
Vice Mayor Jim Shulman	Ex Officio	9/6/2018	8/31/2023
One Public Square, Suite 204 Nashville, TN 37201- (615) 880-3357 jim.shulman@nashville.gov Representing: Vice Mayor of Metropolitan Government of Nashville			
Ms. Kyonzte Toombs		10/5/2021	8/31/2023
One Public Square, Ste. 204 Nashville, TN 37201- (615) 862-6151 kyonzte.toombs@nashville.gov Representing: Metropolitan Council			

Metropolitan Nashville Audit Committee

Executive Session Checklist

- The published agenda must disclose the general nature of the items to be discussed in executive session.
See, T.C.A. §9-3-405(f)
- All business which is public in nature shall be conducted first.
See, T.C.A. §9-3-405(g)(1)
- During the regular public session committee must vote to go into private executive session. Must obtain a majority to be successful.
See, T.C.A. §9-3-405(d)
- Chair must announce during the public portion of the meeting that no business other than the matters stated generally on the published agenda shall be considered during the confidential executive session.
See, T.C.A. §9-3-405(e)
- Adjourn the public portion of the meeting.
See, T.C.A. §9-3-405(g)(2)
- Only individuals whose presence is reasonably necessary in order for the committee to carry out its executive session responsibilities may attend the portion of the executive session relevant to that person's presence.
See, T.C.A. §9-3-405(h)

Permissible Executive Session Subject Matter

1. Items deemed not subject to public inspection under §§ 10-7-503 and 10-7-54, and all other matters designated as confidential or privileged under this code
2. Current or pending litigation and pending legal controversies
3. Pending or ongoing audits or audit related investigations
4. Information protected by federal law
5. Matters involving information under § 9-3-406 where the informant has requested anonymity
See, T.C.A. § 9-3-405(d)