



**DAVIS COUNTY AUDIT COMMITTEE
MEETING MINUTES
BOARD OF DAVIS COUNTY COMMISSIONERS**

The Davis County Audit Committee met in room 201A of the Davis County Administration Building located at 61 S Main Street, Farmington, UT 84025 on Monday, March 11, 2020, at 3:00 PM. Notice of this meeting was given under the requirements of Utah Code Annotated §52-4-202.

Davis County Audit Committee present:

Commissioner Kamalu – conducting; Commissioner Elliott; Commissioner Stevenson (via telephone); Tracy Probert; and John Nixon.

Davis County staff present:

Curtis Koch, Clerk/Auditor; Blake Woodall, Internal Auditor; Neal Geddes, Chief Deputy Civil Attorney; and Janet Hanson, Commission Office.

Public present: None

Agenda as posted:

PUBLIC NOTICE is hereby given that the Board of Davis County Commissioners, Farmington, Utah, will hold an Internal Audit Committee Meeting at the Davis County Administration Building, 61 South Main Street, Suite 201A, Farmington, Utah, commencing at 3:00 PM on Wednesday, March 11, 2020.

AGENDA:

1. External Auditor selection/RFP
2. Meeting Minutes: [December 2, 2019](#)
3. Next meeting: June 1, 2020 @ 3:00 PM

CLOSED SESSION

Motion to adjourn to closed session, if necessary, for reasons permitted under UCA 52-4-205.

1. County Risk Assessments
2. Pending Audits
3. Fraud & Ethics Hotline

RECONVENE

Action taken, if any, regarding matters discussed in closed session.

Disclaimer:

The meeting was an open dialogue. Critical points in the discussion have only been briefly summarized. The reader may refer to the audio recording and the publicly distributed materials for further clarification of content. Timestamps have been noted in the minutes to aid in locating points of discussion in the audio recording.

All documents from this meeting are on file in the Davis County (DC) Commission Office.

The meeting commenced at 3:04 PM

Agenda Items for Discussion:

1. External Auditor selection/RFP (Request for Proposal) (minute 01:06):
 - a. The 2015 RFP was provided to members. A RFPs is required every 5 years.

- b. Curtis explained that the State Auditor's Office, adopted a new rule (R123-5) November 7, 2019, which allows them to intervene in audit selection if they so choose. It also requires the commission to notify their office following the RFP process and selected an auditor and they will determine if it was handled appropriately. He recommends notifying them of a notice of award prior to negotiating a contract. The new rule also indicates that management (Auditor's Office) of the entity may not participate in evaluation of accounting services. Tracy indicated that he and John have enough expertise in selecting auditors to be on the selection committee. He does not recommend going out to hire an accounting firm to evaluate the RFP responses. John suggested to partner with other county audit department to be on each other's selection committee. Curtis indicated that his office can assist with drafting the RFP, they just cannot be involved in the selection committee. Commissioner Kamalu reviewed who can be on the selection committee, which is: 3-6 members; one member from a different department; and the purchasing manager. Curtis pointed out that Davis County's Purchasing Manager is Dax (Teuscher) in the Clerk/Auditor's Office, who could help facilitate the meeting, but could not weigh in on the decision.
 - c. The current contract covers the 2019 year. Curtis recommends moving up the timeline for putting out the RFP. Currently, external auditors begin following the federal tax deadline in April. Hence, the report for the previous year is not completed until halfway through the next year and two months later the next year's budget is being prepared. It would be preferable to have them begin earlier in the year, but it may come with a cost.
 - d. Curtis made the committee aware of an Audit Alert issued on February 13, 2020 having to do with our fraud risk assessment that the State Auditor conducted two years ago. At the Local Government Roundtable they indicated that the external auditors of the entities would be responsible for fraud risk assessment. There was enough push back that this did not happen. The implementation was too broad. The county auditors' group from Utah will be sending a response.
 - e. Commissioner Kamalu will meet with Doug Stone to begin preparing the RFP.
2. Meeting Minutes: December 2, 2019 (minute 23:20):
Commissioner Elliott made a motion to approve. Commissioner Kamalu seconded the motion. All voted aye.

Closed Session (minutes 23:40):

Commissioner Elliott made a motion to move to a closed session as permitted under Utah Code Annotated §52-4-205. Commissioner Stevenson seconded the motion. All voted Aye. Closed session began at 3:27 PM.

Meeting Reconvened:

No action was taken regarding matters discussed in closed session.

3. The next Davis County Audit Committee Meeting is scheduled for June 1, 2020 @ 3:00 PM

Commissioner Kamalu adjourned the meeting.

The meeting adjourned at 4:08 PM.

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

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

Attachments:

A1 - Request for Proposals: Professional Auditing Services

Minutes prepared by:
Janet Hanson
Commission Office

Approved on: **June 1, 2020**



Bob J Stevenson, Audit Committee Chair