

**Virginia Local Government Auditors Association
Minutes of the Executive Committee Meeting
Williamsburg Hospitality House
February 3, 2011**

Lyndon Remias, President, called the meeting to order at 9:32 am. Lyndon thanked everyone for agreeing to serve on the Executive Committee and also for agreeing to meet at a central location in Williamsburg, Va. Lyndon presented the agenda (see attachment).

Upon Lyndon's request, attendees introduced themselves as follows:

Terrie Pyeatt, Va. Beach City Public Schools - Treasurer
Deborah Eggleston, Chesterfield County - Membership Chair
Sherry Ariail, Chesterfield County - Website Chair
Mike Helmke, City of Norfolk - Nominating Chair
Lyndon Remias, City of Va. Beach - President
Umesh Dalal, City of Richmond – Vice President
Sharlene Wrenn, Henrico County Public Schools - Secretary

SECRETARY'S REPORT

Sharlene Wrenn presented the minutes of the membership meeting held at the Henrico Training Center on October 1, 2010. The minutes were approved as submitted with the correction of the name of the presenter of the treasurer's report.

TREASURER'S REPORT

Terrie Pyeatt presented the treasurer's report. As of December 31, 2010, the ending balance was \$14,046.88. Terrie stated this represents an increase of over \$1,700 from the prior year, which is primarily attributed to the Spring, 2010 conference sponsored by Prince William County. Prince William absorbed the cost of the speakers' fees.

The Fall, 2010, held in Henrico County had a net loss of \$880.55 because of the fees paid to speaker, Mark Funkhouser. There were 55 attendees representing 17 different localities.

Lyndon asked the name of our banking institution. Terrie stated that both of our accounts are with Wachovia. We have \$5,083.07 in a money market and \$8,963.81 in the checking account as of December 31, 2010. Terrie stated that Chris Pietsch, Audit Chair, had suggested moving funds into the money market to maximize interest income; however, the rates are so low, it is not worth the effort to transfer the funds. Terrie indicated that total interest income for the prior year was \$2.53.

Terrie indicated that Wachovia charged us \$8 last year to give us copies of our canceled checks with the bank statements. That fee has now been waived and Wachovia will credit our account for the \$8.

Lyndon asked when is the audit required to be done. Terrie indicated that she would get records to Chris Pietsch as soon as possible. Sharlene indicated that the audit is due by March 31 of each year.

Terrie shared that once the prior year's minor adjustment was made to the records, the books now reconcile completely with the bank statement. Terrie stated that the one drawback with Access, which is the VLGAA's recordkeeping system, it's easy to change figures and not leave an audit trail. Terrie feels that someone accidentally changed a figure which caused the irreconcilable difference. It was moved and properly seconded that we accept the treasurer's report as presented. (Treasurer's report attached)

OLD BUSINESS

No official old business; however, Deborah Eggleston indicated that she was waiting to update the membership directory on the website until all prior year's members desiring renewal had done so.

NEW BUSINESS

Lyndon raised the issue whether we want to continue with a VLGAA Spring and Fall conference or do we want to hold a conference once a year for two days in a central location.

Discussions included the following pros and cons:

We could hold one conference during the summer and be done with it
Localities would have to pay for hotel stays if held for two days
Centralized locations could be Williamsburg or Richmond
People usually vacation during the summer months
Some School Activity Fund audits occur during the summer months
In early summer, we would not have to compete with the AGA or IIA then everyone could focus on the VLGAA which could increase attendance
Late September or early October could be an option
No later than 1st week in October
We could tag on to other conferences such as the IIA
If tagging on to another group, we could have one big conference for a week
Localities could not afford one week because of time off from work and hotel cost
Tagging with other groups could cause revenue issues
One conference with IIA – 3 or 4 days; we would have to do a track
IIA training is not government oriented
VLGAA cost is usually \$85 versus \$375 for IIA; we will lose people, times are tight
VLGAA is geared towards local government issues and break even costs
For two day conferences, we could do something like the Peer Review on one day

Sharlene reminded the committee that a survey of the membership was done maybe two years ago and the majority suggested keeping the Spring/Fall format. Lyndon read summaries from the survey indicating that the membership supported two conferences and maybe having the Spring in a central location and rotating the Fall conference.

Umesh stated that he is now on ALGA's advocacy committee and maybe the VLGAA, through our conferences, could try to help other jurisdictions in forming Internal Audit shops.

We decided to keep our Spring/Fall format for now.

COMMITTEE REPORTS

Spring Conference

Mike Helmke stated that because of the loss in Richmond, the City of Norfolk had not specifically worked on a program for the Spring.

Lyndon stated that he would not mind doing a conference in Va. Beach; however, we felt for the distance, it would have to be two days.

Williamsburg was suggested because people do love to come to historic Williamsburg.

Umesh suggested a break out section – advantages to having an internal audit function and invite City Managers/management at no cost so they can see advantages. We could invite Craig Hinton from Dallas as a speaker.

The City of Norfolk and the City of Va. Beach will host the Spring Conference, co-chaired by Mike Helmke and Lyndon Remias. The location will be Williamsburg, Va. Suggested dates are Friday, May 6, 2011; Friday, May 20, 2011; Monday, May 23, 2011 based on the availability of the Williamsburg Hospitality House. It was noted that ALGA is May 16 and 17, 2011.

Hanover will be hosting the Fall 2011 Conference. Melanie Andrews, Internal Audit Director who replaced Kathy Seay, will be contacted to see what dates they are considering for the conference.

Lyndon stated that the Tidewater Chapter of IIA uses C-Vent for conference registrations. C-Vent takes credit cards. Lyndon said there should be no registration problems. There is a cost of a few dollars per person; however, we would tack on to the registration fee. C-Vent will be up and running for our Spring Conference.

Lyndon and Mike will draft a program with the target of eight CPE. The plan is to avoid speakers' fees and limit cost to travel expenses for speakers. The Executive Committee will be contacted through email or teleconference to approve program and budget.

Deborah will send out a “Save the Date” to membership as soon as one can be confirmed with the Williamsburg Hospitality House. We will meet with a representative of the hotel immediately following our executive committee meeting for a tour of the facility.

Suggested topics/speakers for the Spring Conference:

Media and the Auditor
Auditing in Social Media
White Collar Crimes as presented by an FBI agent
New Norfolk City Manager (used to be part of JLARC)
Adding Value

Membership

Deborah Eggleston, Chair, reported that the current membership is 88. We have three new members. Twenty-two members have not renewed for 2011; however, five are in the process of renewal. Non-renewals included resignations from job and budget cuts. One member from Fairfax Public Schools wanted to know if he can still be a member of VLGAA although he has taken a new position, out of audit. This member can still pay the regular dues and be a member with no voting rights.

Deborah informed us that Lou Lassiter has been promoted to the Assistant County Administrator; therefore, is no longer the Director of Internal Audit for the County of Chesterfield.

Deborah stated that the membership is ten short from prior year at this same time. Deborah has sent out emails to other jurisdictions and colleges to encourage membership. Umesh asked for contact information to pitch for ALGA membership.

By-laws

Lyndon appointed Tony Markun, City of Chesapeake, as new By-laws Chair, if Tony is willing to accept the position.

By-laws need to be updated concerning areas stated in previous minutes. Also, we need to set policy in by-laws about speakers fees related to conference registration, etc. For instance, ALGA deducts a certain amount from registration fee if you are a presenter.

Newsletter

Lyndon’s office will be responsible for the newsletter. The next issue will highlight a “Save the Date” for our Spring Conference, newly elected officers, etc. Lyndon will try to issue a newsletter by the end of February.

Nominations

No report.

Website

Sherry Ariail reported that new officers have been updated on the website. Sherry welcomes any news that can be posted to the website.

OTHER BUSINESS

Try to contact districts that don't have audit shops. Consider targeting these jurisdictions for the Fall conference to buy into the significance of an audit shop. We will have to give this topic more consideration because City Managers/management may not be interested in having audit oversight.

The meeting adjourned at 10:36 am for tour of the Williamsburg Hospitality House for possible location of the Spring Conference.