

**Virginia Local Government Auditors Association
Minutes of the Executive Committee Meeting
January 26, 2007 @ 10:00 a.m.**

The President called the meeting to order at 10:10 a.m. New agendas were passed out.

In attendance were the following individuals:

Drew Harmon, President
Chris Pietsch, Vice President
Randi Ricco-Clifford, Treasurer
Sharlene Wrenn, Secretary
Jay Poole, Newsletter/Spring Conference
Lora Holland, Membership
Theresa McGrady Weatherman, Quality Review
Kathy Seay

Mission and Objectives

Drew Harmon distributed the VLGAA mission, objectives and organization chart. We reviewed for additions/deletions. There was general consensus that our mission and objectives are fine and no changes were suggested.

Schedule of Activities

Drew Harmon next distributed a Schedule of Activities for the year. The following activities for January have occurred:

- New officers took office
- Prepared bank signature cards (the President, Vice-President, Secretary and Treasurer signed forms)
- President appointed new committee chairs
 - o Audit: John Fout
 - o Nominating: Kim Taylor
- Meeting of executive committee
- Audit completed by John Fout
- Newsletter is ready with the exception of today's executive meeting; it's scheduled to be issued on Monday, January 29, 2007 per Jay Poole.

It was stated that the Secretary's position currently is not in rotation to become President; however, Sharlene Wrenn agreed to serve a two year term. We will need to recruit a

Treasurer this year and we will ask Gretchen Hudome if she would like to progress through the rotation or continue in the At Large position.

Treasurer's Report:

Chris Pietsch presented the cash balances as of December 31, 2006, and the transaction summary for the period January 1, 2006 through December 31, 2006. The cash balance totaled \$7,932.16, with \$12,755.23 in receipts and \$15,072.32 in disbursements. Included in the activity are donations of \$5,000 and deposit payments of \$6,750 to speaker and conference center for the Spring, 2007 seminar.

Total membership for 2006 was reported as 86. As of 12/31/06, 56 members have paid for 2007.

There was discussion on Agreed Upon Procedures for the Review of VLGAA Financial Activities (see attachment). A motion was made by Chris Pietsch and seconded by Randi Ricco-Clifford to make the following changes:

Change the wording in #2 to read “. . . securing a membership list from the *Membership Committee Secretary* and extending number of members by annual dues amount;” remove #3 from the By-Laws and Agreed Upon Procedures.

Delete item #3. This pertains to the review of CPE records.

The Audit was completed by John Fout.

The Treasurer's Report was approved by motion from Sharlene Wrenn and seconded by Randi Ricco-Clifford.

Secretary's Report:

Randi Ricco-Clifford, outgoing Secretary, presented the minutes from the October 13, 2006, business meeting. The minutes were approved as presented by Chris Pietsch and seconded by Sharlene Wrenn.

Quality Review Committee:

Discussion ensued about how this use to be the Peer Review committee; however, ALGA said the VLGAA could no longer perform these services and all peer reviews must go through ALGA.

Kim Taylor, Past President, wanted to provide a service to take a look at records to see if audit shops were ready for Peer Review. Audit shops would send workpapers to a reviewer after which an informal letter would be issued with comments/suggestions.

Theresa McGrady Weatherman, Quality Review Chair, stated no work has been done to date and she questioned if members really need this service. Theresa stated that readiness for a review can be discussed with the ALGA regional coordinator. Further discussion indicated that the VLGAA Quality Review Committee does not satisfy requirements and may be a liability based on advice given versus an ALGA review. Sharlene Wrenn made a motion that was seconded by Chris Pietsch to discontinue the Quality Review Committee. This action will require a change in the By-laws.

Outreach

Kathy Seay and Randi Ricco-Clifford indicated that the Richmond College night did not reap as much benefit as anticipated. There was little or no interaction from the students after the panel discussion. Discussions ensued concerning other methods used to introduce students to government auditing such as tapping into Seniors in high school, allow student to shadow you on Student Government Day, speaking at High Schools and Colleges, using a power point presentation developed by Kim Taylor.

The general consensus was that these suggestions would work better at the individual audit shops versus a VLGAA effort. We also decided that the VLGAA would continue to participate on the panel for College Night when asked; however, we would not be a joint sponsor of the event.

With respect to local governments, Jay Poole has recently made a presentation to Stafford County with positive results for government auditing. Now Spotsylvania County would like Jay to make a presentation to their officials. Although Jay is serving in his capacity as an ALGA representative, he also talks about the VLGAA.

Jay Poole also stated that NACO (National Association of Counties) will hold its national convention in Richmond in July. He is trying to get on the agenda for ALGA. Kathy Seay will try to find a contact person to help Jay with his efforts. Jay Poole through ALGA will also promote the VLGAA.

The VLGAA might consider an Outreach Committee in the future but for now we are asking all members, whenever you get a chance to speak, promote the profession of government auditing and the organization.

Development of Legislative Committee

Drew Harmon polled several members to seek interest in participation on a Legislative Committee for the VLGAA. The following individuals said yes:

Joanne Griggs - City of Va. Beach
Chris Pietsch - City of Fairfax
Gary Martin – County of Henrico

This committee would need to develop a purpose such as reviewing items in the code which would have an adverse effect, monitor upcoming legislation so that the VLGAA can create a position, etc.

Kathy Seay mentioned that other organizations have legislative committees (VGFOA, VASBO) and the VLGAA could tap into those for help in the development stages.

A motion was made by Chris Pietsch and seconded by Sharlene Wrenn to develop a Legislative Committee. We will ask the membership at large about participation. We anticipate this committee would submit at least one article per year to the VLGAA newsletter.

Performance Measures for Government Auditing Initiative

A conference call was previously held concerning Standard Performance Measures (see attachment). Kathy Seay suggested that in the infancy stage, we should remove the Fraud, Waste and Abuse measure from the standards. After a brief discussion it was moved by Sharlene Wrenn and seconded by Randi Ricco-Clifford that we adopt the audit measures submitted with the exception of Fraud, Waste and Abuse.

Lora Holland will ask Sherry Ariail to put the measures on the website and Jay Poole indicated that the measures could possibly be placed in the April newsletter.

Appointments to Committees

Committee members previously appointed by Drew Harmon as follows:

Audit – John Fout, City of Fairfax
Bylaws – John Doren, Chesapeake Public Schools
CPE – Yolanda Tennessee- Richmond Public Schools
Membership – Lora Holland, County of Chesterfield
Newsletter – Jay Poole, City of Chesapeake
Nominating – Kim Taylor, County of Chesterfield
Spring Program – Jay Poole, City of Chesapeake

A discussion ensued on having a meeting once a year possibly around the Fall of each year. This idea was tabled until July meeting so that we might have a chance to poll the membership. Lora Holland will send Drew Harmon the membership email addresses to send questions concerning a yearly meeting.

Committee Updates

Program Committee

Per Jay Poole, this will be two conferences in one. The first 3 sessions will be the regular VLGAA seminar. The 4th session is a separate ethics event and will be open to the public. Payments from VLGAA members will go to Randi Ricco-Clifford, Treasurer as is normal procedures. Payments for the separate ethics event will go to Jay Poole's office.

Randi Ricco-Clifford asked that the seminar brochure be changed to read – City Auditors Office, Room 806.

By general consensus, we will not have a continuous break during the Spring seminar.

Jay Poole asked that we encourage members to participate in submitting scenarios for the afternoon ethics session

Sharlene Wrenn agreed to host a Roundtable in Henrico in the Fall of 2007, possibly October 12, 2007. Sharlene will check with Gretchen Hudome to determine if there are any IIA conflicts with this date.

CPE

No report.

Quality Review

Discussions held earlier. Committee dissolved.

Bylaws

Items discussed earlier which require by-law changes:

Create legislative committee

Quality review committee– delete

CPE review during audit procedures – delete

Change Agreed upon Audit Procedures

Newsletter

Jay Poole stated the current issue about the Spring Conference will go out on Monday, January 29, 2007. Profiles for upcoming newsletters are as follows:

- Summer: Roanoke profile
- Fall: Hanover profile

Membership –

Lora Holland presented the membership report comparing 2007 to 2006. The VLGAA current membership is 71 compared to 86 for 2006. There is a potential of at least 20 additional members based on 2006. Lora indicated reasons for loss in memberships.

Drew Harmon requested the VLGAA membership listing be printed by organization as well as alphabetical listing in the new directory.

Lora Holland indicated that membership updates are once a month on the website.

Website

Lora Holland reporting for Sherri Ariail asked that we please notify her of events for the calendar. The Spring Conference will be posted on the website. The committee chairs will be updated on the website as follows:

Updated committee chairs: Audit – John Fout
 Nominating – Kim Taylor
 Fall Program – Sharlene Wrenn

The next Board Meeting will be held in July.

Other Business

The old and new officers exchanged records.

The meeting was adjourned at 1:40 p.m.