

**METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
METROPOLITAN AUDIT COMMITTEE MEETING**

November 19, 2013

On Tuesday, November 19, 2013, at 4:00 p.m., the Metropolitan Nashville Audit Committee met in the Metropolitan Courthouse, 2nd Floor, Committee Room 4. The following people attended the meeting:

Committee Members

Bob Brannon, Chairman
Brack Reed, Vice-Chairman
Richard Riebeling, Director of Finance
Jacobia Dowell, Councilmember
Steve Glover, Councilmember

Others

Mark Swann, Metropolitan Auditor
Seth Hatfield, Internal Audit
Carlos Holt, Internal Audit
Theresa Costonis, Department of Law
Jon Cooper, Office of the Metropolitan Nashville
Council Office
Hank Clay, Metropolitan Nashville Public
Schools
Andrea Zelinski, Nashville Scene

Committee Member Absent

Diane Neighbors, Vice-Mayor

Quorum present? Yes

Call Meeting to Order

Bob Brannon, Committee Chairman, called the meeting to order.

Approval of Minutes

The minutes of the meeting on October 22, 2013, were approved.

Old Business

Update on the status of the comprehensive performance audit of Metropolitan Nashville Public Schools

Mr. Swann stated that interest has been shown on the RFP for the performance audit. A number of firms participated in a pre-proposal meeting held earlier in the month. The firms have until Monday, November 25, 2013, at 3:00 P.M. to submit a proposal.

Discussion on the Metropolitan Nashville Audit Committee plan to conduct the bid proposal evaluation panel for the comprehensive performance audit of the Metropolitan Nashville Public Schools as an open meeting

Ms. Costonis presented one provision of state law and two provisions from Metro's procurement code to the committee. The provisions state that the contents of the proposals cannot be disseminated during pre-award stage. Ms. Costonis consulted with the State Office of Open Records Counsel. Based on that consultation and her own analysis of the law, Ms. Costonis recommended the board discuss the proposals in executive session, but subsequently vote for the award in a public setting. This method was blessed by the Office of Open Records Counsel.

Mr. Riebeling and Mr. Glover stated their objection for the committee meeting in private. There was a discussion about conducting the evaluation in a public meeting without disclosing the contents of the proposals. The committee discussed the possibility of evaluating the bidders as Company A, Company B, etc. The option of having the bidders sign releases stating that they will not protest the award due to the public evaluation of the proposals was also discussed.

The committee ultimately decided to meet in public with the option to enter into executive session if absolutely necessary to protect the contents of the proposals. Additionally, the bidders will sign releases stating they will not protest the award due to the public evaluation of the proposals.

Mr. Glover moved for the evaluation of proposals to be held in public unless advised by Metro Legal to enter into executive session. Ms. Dowell second. Motion carried.

New Business

Discussion on request to amend current Internal Audit Work Plan to include an audit of charter school enrollment practice

Mr. Swann stated that a request was made by a school board member for the audit to address the claims that charter schools exit academically struggling students prior to standardized testing in the spring and enroll few students with disabilities. Additionally, the Tennessee Charter School Center sent a letter stating they would welcome an audit, but would like the audit scope to include attrition across Metro Nashville Public Schools as well.

Mr. Riebeling commented that the requested amendment was outside of the original scope requested by Metro Council which concerned the operations of Metro Nashville Public Schools.

Mr. Riebeling moved to not expand the scope of the Metro Nashville Schools Performance Audit to include enrollment practices. Mr. Reed Second. Motion carried.

Discussion on Audit of the Circuit Court Clerk Metropolitan Citation Process audit report issued October 9, 2013

Mr. Swann discussed the Circuit Court Clerk Metropolitan Citation Process with the audit committee. There were issues noted with the completeness controls in the citation process. A recommendation was made to start tracking and following up on missing citations.

Discussion on Audit of Nashville Education Community and Arts Television Corporation audit report issued October 29, 2013

Mr. Swann discussed the Nashville Education Community and Arts Television Corporation audit. A recommendation was made to have a longer reservation period for the equipment to minimize the total Information Services Department staff required to provide coverage. There was also a recommendation to improve the procedures for the accounting of assets between Nashville Education Community and Arts Television Corporation and Metro Nashville.

Discussion on Audit of Davidson County Soil and Water Conservation District audit report issued October 30, 2013

Mr. Swann stated the Soil and Water Conservation District consists of one employee who handles their own financials and leave. Recommendations were made to suggest others ways for running the district. The Soil and Water Conservation board agreed to do a better job at monitoring going forward. The Office of Internal Audit will go over their findings at the next Soil and Water Conservation Board at their next meeting.

Meeting adjourned after 45 minutes.

The next meeting will be scheduled for December 10, 2013. Additional meeting may be called for RFP evaluation prior to December 10, 2013.

Approved at the December 10, 2013, Metropolitan Nashville Audit Committee meeting