



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the City Auditor

MEMORANDUM

TO The Honorable Richmond City Council Members

FROM Joseph Kearfott, Chairperson
Audit Committee

DATE January 18, 2022

COPIED Lou Lassiter, City Auditor

SUBJECT **Audit Committee CY2021 Annual Activity Report**

On behalf of the Audit Committee, I'm pleased to present to you the attached 2021 Annual Activity Report. This report reflects all activities for Calendar Year (CY) 2021.

Thank you for your support and we look forward to continuing to serve the City as members of this body. If you require additional information, we may be contacted through the Audit Committee Secretary, Ms. Rochelle Carter at 804-646-5632.

c: Audit Committee Members
Office of the City Clerk

AUDIT COMMITTEE

ENACTED

Chapter 2, Article V, Division 13 of the Richmond City Code

(Ord. No. 83-248-224, adopted November 14, 1983; Ord. No. 86-122-84, adopted April 28, 1986; Ord. No. 2009-90-100, adopted June 8, 2009; Ord. No. 2010-32-50, adopted March 8, 2010; Ord. No. 2011-144-154, adopted September 12, 2011; Ord. No. 2016-094, adopted April 11, 2016)

COMPOSITION

The Audit Committee shall consist of seven members to be appointed by the City Council. Two of these seven members shall be members of the Council appointed to serve terms coincident with their terms as members of the City Council. The remaining five members shall be appointed from the business community of the City. Of these five members appointed from the business community of the City, at least one shall be licensed by the State Board of Accountancy as a Certified Public Accountant, at least one shall be a lawyer admitted to the Virginia State Bar, and at least one shall have experience in the financial services industry.

(Assigned to the Organizational Development Standing Committee)

OBLIGATION

The duties of the Audit Committee shall be the following:

- (1) Reviewing of significant financial information for appropriateness, reliability and timeliness;
- (2) Ascertaining the existence and adequacy of accounting and internal control systems and the adequacy of safeguards for the assets of the city;
- (3) Overseeing audit functions;
- (4) Making recommendations to the council concerning the selection and termination of external auditors;
- (5) Reviewing annual financial reports of the city and results of audit examinations;
- (6) Evaluate internal control functions;
- (7) Reviewing interim financial information;
- (8) Evaluating financial management systems and results of operations of the city;
- (9) Monitoring and overseeing the inspector general activities undertaken by the Office of the City Auditor pursuant to section 2-214 of the Code;
- (10) Making periodic reports, no less frequently than once every six months, to the Mayor and the Council concerning the inspector general activities undertaken by the Office of the City Auditor pursuant to Section 2-214 of the Code during the time since the last such report;
- (11) Reviewing and approving the annual work plan of the Office of the City Auditor.

MEETINGS, AGENDA, MINUTES

The Audit Committee met four (4) times during CY2021. All meetings were conducted virtually due to the Coronavirus pandemic.

The Committee's Agendas and Minutes are on file at the City Clerk's Office and were sent as required throughout the year.

TERM OF OFFICE

Council members shall succeed themselves no more than two times, and citizen members shall not be allowed to succeed themselves more than two times. All appointments of citizen members shall be for terms of three years.

COMMITTEE MEMBERS (as of December 2021)

2020 - September 2021 Chair **Roger Boeve**, term expired 9/28/21
10/2021 – Present Chair **Joseph Kearfott**, term expires 4/7/22

Samuel Bemiss, term expires 11/28/23

W. Lee Chaney, III, term expires 7/25/23

Donald Cowles, term expires 5/7/22

The Honorable Cynthia Newbille, term expires 12/31/24

The Honorable Kristen Larson, term expires 12/31/24

ACCOMPLISHMENTS

1. The Committee reviewed a total of 15 audit reports in CY2021.
2. The Committee reviewed the work of the External Auditors related to the FY2021 ACFR and Single Audit progress.
3. The FY2022 Audit Plan <https://rvagov.prod.acquia-sites.com/sites/default/files/2021-06/FY22%20Audit%20Plan-6.9.21.pdf> was reviewed and approved.
4. Performance Measures for the City Audit function were reviewed and presented to City Council's Government Operations Standing Committee on July 28, 2021.
5. The City Auditor's Office passed its three year Peer Review (FY2019-FY2021) in compliance with Government Audit Standards and the report was reviewed with the Audit Committee at the December 2021 meeting.
6. Reviewed summary updates from the Inspector General's Office
7. AUDIT REPORTS ISSUED AND PRESENTED DURING CY2021

Report #	Area	Title	Year & Month Issued
2022-06	OCWB	Office of Community Wealth Building	2021-12
2022-05	Citywide	Annual Follow-up Review	2021-12
2022-04	Police	Recruiting & Training Division: Training Records	2021-11
2022-03	Public Works	Milling and Overlay Contracts	2021-09

2022-02	Information Technology	IT Project Management	2021-07
2022-01	Citywide	APA Comparative Cost Report Analysis FY2020	2021-07
2021-17	Planning & Development Review	Property Maintenance Code Enforcement Division	2021-06
2021-16	Information Technology	Cyber Security Assessment (Confidential -FOIA Exempt)	2021-06
2021-15	Fire & Emergency Services	Fire Prevention Division	2021-06
2021-14	Human Resources	Recruitment & Hiring Process	2021-05
2021-13	Citywide	Continuous Auditing Report	2021-04
2021-12	OMBD	Office of Minority Business Development	2021-03
2021-11	HCD	Department of Housing and Community Development	2021-02
2021-10	Citywide	Delinquent Real Estate Tax Sale	2021-02
2021-09	DSS	Foster Care	2021-03