

## **CALLAWAY AUDIT COMMITTEE MEETING**

**November 7, 2012**

**TIME: 5:30 P.M.**

Called to order by Chairperson McKinney at 5:30 P.M.

ROLL-CALL – PRESENT: Shelley McKinney, Bill Castor, Pam Henderson,  
John L'Heureux, Doug Smith

ALSO PRESENT: Marcus Collins, City Manager and Sandra Hirth

### **APPROVAL OF MINUTES:**

Doug Smith moved to approve the Audit Committee meeting minutes of October 25, 2012, with corrections on page three, fourth paragraph. He stated his question was referring to Laird Point not Sandy Creek. Bill Castor seconded the motion with corrections.

All ayes

### **BUSINESS ITEMS:**

#### **ITEM #1 DISCUSSION/DEVELOPMENT OF FRAUD REPORTING PROCEDURE WITH CITY MANAGER**

Chairperson McKinney welcomed City Manager, Marcus Collins, to the meeting. She stated the Committee would like to have his input on the procedure for employees to report fraud situations.

City Manager Collins stated we are currently developing employee training in all areas of discrimination, harassment, etc. and the reporting of fraud procedure will be included as soon as it is approved by the Commission.

A discussion ensued with regard to specifics on how an employee reports suspected fraud. The following procedure was developed:

- 1) A drop box will be placed on the wall in the City Hall break room by the doorway. This will give easy access to anyone who would like to drop off information and then immediately walk out the door.
- 2) The drop box will be checked monthly by the Assistant to the City Manager.
- 3) If there is anything in the box, a citizen member of the Audit Committee will be asked to stop by the City Manager's office and the complaint will be opened. It was decided that only citizen members of the Audit Committee should be used due to the other two members being employed (a Commissioner and an employee) with the City.
- 4) The City Manager will investigate the allegation.
- 5) If he feels it is a legitimate complaint (cannot be explained in a logical way), the file will be locked and FDLE will be contacted as well as the Commission members.
- 6) The City Manager will keep the Audit Committee and Commission up to date on any issues that develop.

- 7) The citizen Audit Committee members will be alternated among the three members.

Chairperson McKinney stated we need this policy so that all employees will know the steps to follow and that this policy needs to be advertised in every department. She said she will be reporting on this evening's meeting at the November 13, 2012 Commission meeting. She will also do some research for current policies in other cities.

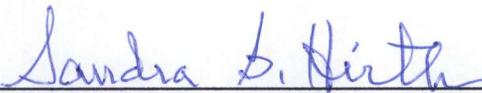
Commissioner Henderson mentioned that the Audit Committee member who is the designee for the month can report to the Audit Committee at the meeting following their month of service, in generalities only.

Bill Castor said we are definitely on the right track now and told Mr. Collins he appreciated him taking the time to meet with the Audit Committee.

Commissioner Henderson moved to go forward with the process outlined in the meeting. Motion was seconded by Bill Castor.

All ayes

There being no further business, the meeting was adjourned by Chairperson McKinney at 6:10 P.M.

  
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Sandra B. Hirth, Assistant to the City Manager