

AGENDA

Ad Hoc Audit Committee December 9, 2024 at 4:00 PM



Lansing City Hall, City Council Conference Room
124 W. Michigan Avenue, 10th Floor

To provide input or ask questions on any item that is listed on the agenda,
members of the public may contact the City Council at city.council@lansingmi.gov or (517) 483-4177 prior to the meeting.
To participate in public comment and view the meeting live: <https://www.lansingmi.gov/1212/Council-Committee-Meetings>

Councilmember Peter Spadafore, Chairperson
Councilmember Tamera Carter, Vice Chairperson
Councilmember Trini Pehlivanoglu, Member

1. **Call to Order**
2. **Roll Call**
3. **Minutes**
 - A. November 18, 2024
4. **Public Comment on Agenda Items (Up to 3 Minutes)**
5. **Discussion/Action:**
 - B. Continued Discussion on a Defined Annual Audit Plan - Internal Auditor
 - C. DISCUSSION - Proposed Change to Council Rule 16 Standing Committee
 - D. DISCUSSION- 2025 Meeting Dates
6. **Other**
7. **Adjourn**

Persons with disabilities who need an accommodation to fully participate in these meetings should contact the City Council Office at 517-483-4177 (TTY 711) 24 hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodation requests.

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MINUTES
Ad Hoc Audit Committee
Monday, November 18, 2024 @ 4:00 p.m.
City Council Conference Room

CALL TO ORDER

Council Member Spadafore called the meeting to order at 4:07 p.m.

PRESENT

Council Member Peter Spadafore, Chair
Council Member Tamera Carter, Vice Chair- arrived at 4:08
Council Member Trini Pehlivanoglu, Member

OTHERS PRESENT

Sherrie Boak, Council Office Manager
Charles Randall, Internal Auditor
Lisa Hagen- Lawrence, OCA

Minutes

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE MINUTES FROM OCTOBER 28, 2024 AS PRESENTED. MOTION CARRIED 2-0.

Public Comment

No public comment at this time.

Discussion/Action:

Continued DISCUSSION – Defined Annual Audit Plan

Council Member Spadafore recapped the charge from the last meeting for the Internal Auditor. After the update, this Committee will present feedback and if there is any changes those will be made and submitted to Council on 12/16/2024 in their Committee report.

Council Member Pehlivanoglu asked, once this Committee approves and move forward, then will Council have input as well. Council Memer Spadafore confirmed, however there is another charge for the Committee as well before the report goes to Council, which is to decide if they want to proceed with this Committee in the future as a permanent City Council Committee. Council Member Spadafore concluded that if this Committee seeks to have that occur, they can look at a resolution amending the Council Rules adding Committee on Audit.

Mr. Charles went through his proposed FY 2025 Audit plan, which has a priority using the payroll, invoices and expense report as high audit areas. By looking at the City 2025 budget he would look at the department spending, allocating out testing samples. For a control test, he believes that you would not allocate it out if is being done the same in all departments. This will be same

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control testing, the samples will be sub-selected to each department. Police and fire have the largest spending and payroll, therefore being first. There will be a focus on police and fire beginning in December and running through February. Mr. Charles anticipates samples will not be completed but carry over to March, because he anticipates questions. He will then begin adding in Public service, Parks and others. Mr. Charles stated he plans to have all testing completed in May and report out in June/July. The expense reporting will not be broken out by department, because they are not balancing expenses on credit cards monthly.

Council Member Spadafore asked what his process will be for payroll. Mr. Charles stated that there is an employee entering their time sheet, supervisor approving, using time to processing payroll, then sent on to distribution.

Council Member Carter asked how he determined the number of samples. Mr. Randall stated that normally for control you would do 45, and this is just to get a baseline for most departments. This is over sampling, but wanted depth so they are aware the payroll and invoices are being audited. Regarding invoicing, they depend on the department based on their monthly invoicing.

Council Member Carter asked for January, if the police and fire will carry over to March due to the volume, and Mr. Charles confirmed he anticipates that, due to volume and potential questions. Mr. Randall assured the Committee that he plans to provide monthly status reports to this Committee.

Council Member Spadafore referred back to an earlier statement made where the audit would be on expense reporting on credit cards, asking if there are also cash reimbursement expense reports to be audited. Ms. Boak confirmed that the City does do expense reports, and Mr. Charles stated he would ask Finance about that and see what the volume is.

Council Member Pehlivanoglu asked if the departments roll into later months then listed on the timeline, will the sample numbers be adjusted. Mr. Charles assured the Committee that there should be enough time, because with payroll the process is the same for everyone; not a lot of variation. This is set for the highest number first, and depending on this committee feedback could shut off.

Council Member Spadafore asked for Mr. Charles to make the update and the Committee will finalize at their 12/9/2024 meeting, along with deliberation and action on a resolution to adopt the audit plan and recommend a permanent audit Committee to the Council at their 12/16/2024 meeting.

OTHER

No other topics of discussion.

ADJOURN

Adjourned at 4:21 p.m.

Submitted by, Sherrie Boak,

Recording Secretary,

Lansing City Council

Approved by the Committee on

5. B. - RESOLUTION
Continued Discussion
Defined Annual Audit Plan

*Pending Document from Internal Auditor
Please continue to watch for updates*





**CITY OF LANSING
INTERNAL AUDITOR**
124 W MICHIGAN AVE FL 10
LANSING MI 48933-1605
(517) 483-4159

Date: November 18, 2024
 To: Ad-Hoc Committee
 From: Charles H Randall, Internal Auditor
 Subject: 2025 Audit Plan

FY 2025 Audit Plan Process Timeline & Sampling Allocation							
	Dec	Jan	Feb	Mar	Apr	May	Jun
Process / Depts	Police	Police	Fire	Public Svc	Park & Rec	All Other	Total Process
Payroll	18	55	57	2	7	11	150
Invoices	4	12	8	16	3	7	50
Total Dept	22	67	65	18	10	18	200
Non-Dept							
Exp Rpt	10	0	0	5	5	5	25

Reporting Plan

- Monthly Status Report @ first Ad-Hoc meeting of the month.
- Department Control Report
- Process Report

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Recommended Changes from the AD HOC on Audit Committee

BY THE CITY OPERATIONS
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, pursuant to Rule 41 of the Lansing City Council Rules, a proposed rule revision shall be placed on the Council Agenda for Council receipt and review, but “shall not be considered for adoption sooner than the next council meeting”;

THEREFORE BE IT RESOLVED that the City Council hereby amends the City Council Rule 16 Standing Committees by inserting the Committee on Municipal Audit as set forth below.

Rule 16 Standing Committees; the standing committees of Council and their functions are as follows:

COMMITTEE ON MUNICIPAL AUDIT

An objective of the Committee is to provide guidance and oversight to the City Council Internal Auditor in the performance of his/her responsibilities, create and review annual audit plans, evaluate the financial position of the City.

The Committee on Municipal Audit will prepare an annual audit plan by June 30th each year.

January 2025

January 2025						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February 2025						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Dec 29	30	31	Jan 1, 25	2	3	4
5	6 5:30pm Committee of the Whole/City Council Meeting - Organizational Meeting (Tony	7 6:30pm Charter Commission (Tony Benavides Lansing City Council Chambers)	8	9	10	11
12	13 1:30pm DEADLINE TO SIGN UP FOR PUBLIC COMMENT 5:30pm Committee of the Whole/City	14	15	16	17	18
19	20 Martin Luther King Jr. Holiday	21 6:30pm Charter Commission (Tony	22	23	24	25
26	27 1:30pm Deadline to Sign up for public comment 5:30pm Committee of the Whole/City	28	29	30	31	Feb 1

February 2025

February 2025							March 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1							1
2	3	4	5	6	7	8	2	3	4	5	6	7	8
9	10	11	12	13	14	15	9	10	11	12	13	14	15
16	17	18	19	20	21	22	16	17	18	19	20	21	22
23	24	25	26	27	28		23	24	25	26	27	28	29
							30	31					

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jan 26	27	28	29	30	31	Feb 1
2	3	4 6:30pm Charter Commission (Tony Benavides Lansing City Council Chambers)	5	6	7	8
9	10 1:30pm DEADLINE TO SIGN UP FOR PUBLIC COMMENT 5:30pm Committee of the Whole/City	11	12	13	14	15
16	17 Presidents Day	18 6:30pm Charter Commission (Tony Benavides Lansing City Council Chambers)	19	20	21	22
23	24 1:30pm Deadline to Sign up for public comment 5:30pm Committee of the Whole/City	25	26	27	28	Mar 1

March 2025

March 2025							April 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1			1	2	3	4	5
2	3	4	5	6	7	8	6	7	8	9	10	11	12
9	10	11	12	13	14	15	13	14	15	16	17	18	19
16	17	18	19	20	21	22	20	21	22	23	24	25	26
23	24	25	26	27	28	29	27	28	29	30			
30	31												

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Feb 23	24	25	26	27	28	Mar 1
2	3	4 6:30pm Charter Commission (Tony Benavides Lansing City Council)	5	6	7	8
9	10 1:30pm DEADLINE TO SIGN UP FOR PUBLIC 5:30pm Committee of the Whole/City	11	12	13	14	15
16	17	18 6:30pm Charter Commission (Tony Benavides Lansing City Council)	19	20	21	22
23	24 1:30pm Deadline to Sign up for public 5:30pm Committee of the Whole/City	25	26	27	28	29
30	31	Apr 1	2	3	4	5

April 2025

April 2025							May 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5					1	2	3
6	7	8	9	10	11	12	4	5	6	7	8	9	10
13	14	15	16	17	18	19	11	12	13	14	15	16	17
20	21	22	23	24	25	26	18	19	20	21	22	23	24
27	28	29	30				25	26	27	28	29	30	31

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Mar 30	31	Apr 1 6:30pm Charter Commission (Tony Benavides Lansing City Council Chambers)	2	3	4	5
6	7 5:30pm Committee of the Whole/City Council Meeting (Tony Benavides Lansing City Council)	8	9	10	11	12
13	14	15 6:30pm Charter Commission (Tony Benavides Lansing City Council Chambers)	16	17	18 Good Friday	19
20	21 5:30pm Committee of the Whole/City Council Meeting (Tony Benavides Lansing City Council)	22	23	24	25	26
27	28	29 6:30pm Charter Commission (Tony Benavides Lansing City Council Chambers)	30	May 1	2	3

May 2025

May 2025							June 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
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4	5	6	7	8	9	10	8	9	10	11	12	13	14
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18	19	20	21	22	23	24	22	23	24	25	26	27	28
25	26	27	28	29	30	31	29	30					

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Apr 27	28	29	30	May 1	2	3
4	5 5:30pm Committee of the Whole/City Council Meeting (Tony Benavides Lansing City Council)	6	7	8	9	10
11	12 5:30pm Committee of the Whole/Council Meeting (Tony Benavides Lansing City Council)	13 6:30pm Charter Commission (Tony Benavides Lansing City Council Chambers)	14	15	16	17
18	19 5:30pm Committee of the Whole/City Council Meeting (Tony Benavides Lansing City Council)	20	21	22	23	24
25	26 Memorial Day	27 6:30pm Charter Commission (Tony Benavides Lansing City Council Chambers)	28	29	30	31

June 2025

June 2025							July 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7	6	7	8	9	10	11	12
8	9	10	11	12	13	14	13	14	15	16	17	18	19
15	16	17	18	19	20	21	20	21	22	23	24	25	26
22	23	24	25	26	27	28	27	28	29	30	31		
29	30												

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Jun 1	2	3	4	5	6	7
8	9 5:30pm Committee of the Whole/Council Meeting (Tony Benavides Lansing City Council)	10 6:30pm Charter Commission (Tony Benavides Lansing City Council Chambers)	11	12	13	14
15	16	17	18	19 Juneteenth	20	21
22	23 5:30pm Committee of the Whole/City Council Meeting (Tony Benavides Lansing City Council)	24 6:30pm Charter Commission (Tony Benavides Lansing City Council Chambers)	25	26	27	28
29	30	Jul 1	2	3	4	5