



**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 Randall 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 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 Randall 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 Randall 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 Randall 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. Charles 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 Randall confirmed he anticipates that, due to volume and potential questions. Mr. Charles 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 Randall 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 Randall 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 Randall 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 as amended on December 9, 2024