



Las Vegas

Agenda Item No.: 6.

AGENDA SUMMARY PAGE

AUDIT OVERSIGHT COMMITTEE MEETING OF: JULY 15, 2010

DEPARTMENT: CITY AUDITOR'S OFFICE

DIRECTOR: RADFORD SNELTING

☐ Consent ☒ Discussion

SUBJECT:

Discussion and possible action on audit of Employee/Vendor File Review (2008-0910-12)

Fiscal Impact:

☐ No Impact

No Impact

☒ Augmentation Required

☐ Budget Funds Available

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

City Auditor will review the audit report of Employee/Vendor File Review (2008-0910-12).

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

1. Employee/Vendor File Review (2008-0910-12)
2. Submitted at Meeting PowerPoint Slides 4 through 14 by Staff

Motion made by PAUL WORKMAN to Approve

Passed For: 3; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 2

PAUL WORKMAN, MICHAEL W. KERN, LOIS TARKANIAN; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-STEVE WOLFSON, JOSE TRONCOSO)

Minutes:

Referring to Slides 4 through 14 of the submitted PowerPoint, City Auditor Radford Snelding reviewed the details of the audit commenting on data identified in the audit. There were four recommendations outlined in the PowerPoint presentation. The City Manager's Office has agreed with all of the recommendations and is in the process of implementing those changes. Betsy Fretwell, City Manager and Ted Olivas, Director of Administrative Services, were both present to address any questions.

Chairman Kern asked if the estimated completion date of July 1, 2010 has been met. Auditor Snelding responded that they have not been notified by the department that this deadline has been met; consequently as of July 1, 2010, it remains open as an incomplete recommendation. Chairman Kern commented that considering the limited size of the community, it's very difficult for the City to avoid the public misconceiving conflicts of interest.

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Mark Vincent, Director of Finance, responded that individuals who serve on contract evaluation teams are required to sign a disclosure of interest form. He added that it is important that the City continue to be watchful of anything related to contract awards that might be misconstrued as conflicting.

Chairman Kern asked if the City has a nepotism policy. City Manager Fretwell confirmed that although we do have a policy in place, it is currently being redrafted and will be circulated through the policy approval process. This will give us an opportunity not only to refine procedures, but to review special circumstances as well. There is a particular policy that deals with employee vendor relationships and as part of this policy, the responsibility to declare interest will lie primarily with the employee. She said that this policy will be incorporated into the standard new employee orientation, so that employees are made aware that they have an obligation to not participate in a conflict where they benefit from their position, in ways that they shouldn't outside of their salary and benefit structure.

Paul Workman asked if there were any findings as a result of this audit that required serious further investigation. Betsy responded that there was one particular instance that concerned her. The City Manager and City Attorney's Office have spoken to the department about the manner in which they handled that particular instance and that individual is no longer employed with the City. She stressed the importance of a real open line of communication amongst management, to prevent these types of situations from re-occurring.

Chairman Kern added that it is especially important for members of this Oversight Committee to remain cautious of their board obligation and keep those independent of personal relationships.

