Civic Center Building A
525 S. Main St.
Public Meeting Room

April 20, 2026
10:00 AM

Audit Oversight Committee Minutes

1. **Call to Order and Roll Call**

Minutes:
CHAIR PREISS called the meeting to order at 10:00 a.m.

PRESENT: CHAIR PREISS and MEMBERS BOOKER, KAERCHER, and BRUNE (excused until 10:03 a.m.)

EXCUSED: MEMBER KELLEY

ALSO PRESENT: NECHOLE GARCIA, Chief Deputy City Attorney; JACQUIE MILLER, Assistant Deputy City Clerk; and YVETT ELAURIA, Deputy City Clerk

2. **Announcement Regarding: Compliance with Open Meeting Law**

Minutes:
ANNOUNCEMENT MADE: This meeting has been properly noticed and posted at the following locations in accordance with the noticing standards as outlined in NRS 241.020: Civic Center Building A, 525 South Main Street, 1st Floor; City Hall, 495 South Main Street, 1st Floor; the City of Las Vegas website - www.lasvegasnevada.gov; and the Nevada Public Notice website - notice.nv.gov.

3. **Public Comment:** Comment during this portion of the agenda must be limited to matters on the agenda for action. If you wish to be heard, come forward and give your name for the record. The amount of discussion, as well as the amount of time any single speaker is allowed, may be limited.

Minutes:
None.

4. For possible action to approve the Final Minutes by reference of the Regular Meeting of January 12, 2026

Motion made by Chad Kaercher to Approve

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

For-Eric Preiss, Chad Kaercher, Marilyn Booker; Excused-Nancy Brune, Kara Kelley;

5. Report by staff regarding current staffing

Minutes:
BRYAN SMITH, City Auditor, utilized a PowerPoint presentation, a copy of which was submitted for the record, to provide an update on current staffing, noting several staff members from their office separated from the City (City of Las Vegas). The Internal Audit Section Manager position was frozen and there were two vacant positions. Authorization was received to underfill the two vacant positions, and they were moving forward with the recruitment.

6. Report by staff regarding current audits

Minutes:
BRYAN SMITH, City Auditor, utilized a PowerPoint presentation, a copy of which was submitted for the record, to report their office had three audits in process, including IT (Innovation and Technology Department) -

Oversight of Mobile Communication Devices, Public Works Department - Facilities Division - Controls over Tools, Equipment, and Supplies, and the Municipal Court - Management of Bus Passes, which were distributed to individuals involved in court programs.

7. Report by staff and discussion for possible action regarding an update on issued Audit Recommendations

Minutes:
BRYAN SMITH, City Auditor, utilized a PowerPoint presentation, a copy of which was submitted for the record, to provide the status of previously issued audit recommendations. Following a brief review of the audit recommendation follow-up procedure, MR. SMITH stated that over the past three fiscal years their office had issued 60 audit recommendations, 47 of which were successfully completed. He applauded City departments for their efforts in addressing the recommendations and improving their operations.

Representatives were in attendance from departments with Incomplete recommendations to provide an update on their efforts.

MR. SMITH reported that Fire & Rescue (Las Vegas Fire & Rescue Department) completed five of six recommendations and had one recommendation classified as Not Due. By addressing audit recommendations, Fire & Rescue updated their controlled substance management policy, improved internal controls over the purchasing and receipt of controlled substances, and strengthened monitoring and reporting procedures over controlled substances. The remaining Not Due recommendation asked the department to evaluate the feasibility of purchasing an automated controlled substance management system. MR. SMITH did not request Fire & Rescue to be in attendance since their classification was Not Due; however, he noted they were consistently in touch regarding their efforts to address the recommendation.

Ten recommendations were issued to the Community Development Department following the audit of their Business Licensing Compliance Section (Business Licensing). Eight recommendations were completed and two recommendations were classified as Incomplete. With the completed recommendations, Business Licensing upgraded their internal performance metrics, began sharing performance metrics online, improved their coordination with fire prevention staff in completing four-plex inspections, and updated their process for controlling and reviewing system access permissions. MR. SMITH invited DARCY ADELBAI-HURD, Business Licensing Manager, to provide an update on their efforts to address the remaining two recommendations. MS. ADELBAI-HURD said the remaining two recommendations were in process, and a plan was developed on how to view their collection. The recommendations included documenting compliance fines and fees in the collection process and addressing procedures to determine when fines should be assessed and go to collections. They were working on a system with IT (Innovation and Technology Department). She hoped testing could begin by the end of May and the system could be utilized by the end of the year.

MEMBER BRUNE wondered if there was a collaboration between the departments and Audit staff to impose a reasonable deadline for recommendation completion. MR. SMITH emphasized that the estimated completion dates were provided by the departments and were deadlines to work towards; however, unplanned situations could arise. He opined that MS. ADELBAI-HURD was great to work with and continually kept them informed about their progress. MS. ADELBAI-HURD concurred with MR. SMITH'S comments, indicating that Audit staff provided the recommendations and the departments provided a deadline of what they believed they could accomplish, notifying staff if more time was needed.

CHAIR PREISS believed most of the recommendations involved IT or budget constraints, and it was complicated to pinpoint the moving target. He appreciated the efforts shown for the recommendations moving forward and not remaining outstanding for an extensive period of time.

MR. SMITH reported that six recommendations were provided to the Municipal Court (Court) following the audit of their Witness Fees Fund. One of the recommendations was completed and improved safe security for witness fee funds. MR. SMITH invited HANS JESSUP, Court Administrator, to provide an update on their efforts to address the remaining five recommendations. MR. JESSUP explained that they had difficulties getting IT involved, shifting staff and priorities, noting that updating the policies and procedures took time. The Court increased filings by nearly 100 percent in the last two years. One audit finding pertained to too much cash on hand for witness fee funds. Additionally, the increased case load had increased the amount of witness fee funds, and they were looking for a reduction. Another finding included inappropriate access to the cash room, which they started eliminating court employee access to solely supervisors; however, additional members such as DPS (Department of Public Safety) staff, were allowed access to the room for safety processes. They reviewed the appropriateness given that Municipal Court Marshals at the courthouse were responsible for providing safety and security. MR. JESSUP hoped to have the recommendations resolved within the next few months.

CHAIR PREISS recognized the difficulties, stating that predicting a 100 percent increase in cases would be difficult to forecast, budget, and plan for.

MEMBER BOOKER inquired whether there were any concerns regarding significant losses during the timeframe they were working through. MR. JESSUP did not believe there was significant loss, highlighting that staff was actively working to implement good policies and closely monitoring the situation. While DPS still had access to the cash room, they were generally not present at the courthouse, and MR. JESSUP believed there was no immediate risk. MR. SMITH felt there was no significant risk of loss and thought Recommendation 1.1 would address weaknesses found in the procedures. Moreover, the approach to reconciling the total fund on a daily basis failed to consider funds in transit and did not encompass daily total fund reconciliation. He indicated that adjustments were made to the front counter procedure to improve efficiency. MR. SMITH expressed his gratitude for MR. JESSUP'S support of their office and his willingness to share potential audits that could enhance the value provided by the Court. Staff was also engaged in a separate audit within the Court concerning bus passes.

MEMBER KAERCHER thought recommendations included how they should be implemented, which required policies and procedures to fall in place and the finalization of SOPs (Standard Operating Procedures). He asked when a recommendation is considered complete rather than in process. MR. SMITH responded that the department informs staff when they believe they have fully addressed the recommendation. Most departments maintain ongoing communication to clarify the expectations for a recommendation to be complete. Essentially, staff will conduct a mini audit for each recommendation to verify that improvements have been made. The follow-up process may be time-consuming, as samples will be necessary to confirm that controls were implemented, similar to the approach they would take with the first recommendation related to front counter operations.

CHAIR PREISS remarked that the Audit Department served a purpose of service to each department. He noted people perceive internal audit as an adversary; however, the objective of everyone involved was to prevent issues and minimize risks. Additionally, he believed working in partnerships was important to improve operations, reduce risks, and have more successful operations.

MR. SMITH stated six recommendations were issued to the Human Resources Department (HR) following the Employee Separation Process audit. Two recommendations were completed that improved the clarity of the primary form used by departments for processing out employees, thus enhancing the consistency and reliability of the information collected. HR had four remaining recommendations that SUE BROWN, HR Director, was present to address. MS. BROWN said the remaining recommendations were primarily related to the separation process and updating the separation policy and procedure. They worked with several departments, including IT, Finance, and YDSI (Youth Development and Social Initiatives) to ensure changes made would not impact business needs. They sent an initial draft of the separation policy to Audit staff, who also provided feedback. They achieved 90 percent completion, and MS. BROWN anticipated needing an additional month for full completion. MR. SMITH thanked MS. BROWN for her efforts in addressing the recommendations, which, although could appear simple, were complex to address. He underscored the importance of fully and accurately addressing a recommendation instead of aiming to meet the estimated completion date.

CHAIR PREISS recognized the numerous hourly employees, noting it was essential to ensure the procedures were not too onerous for the departments. He stated there was a fine balance between compliance and imposing undue burdens on the departments, individuals, and hourly employees. Moreover, he asserted that accuracy took precedence over speed. MR. SMITH agreed, indicating they weighed the cost and benefits of the internal controls, which were also evaluated in creating the audit recommendations.

MR. SMITH reported that one recommendation was provided to Finance following the audit of their Employee Separation Process. Occasionally, recommendations for other departments were issued outside of the primary department being audited. Although the recommendation was considered Not Due, its due date was approaching in the coming weeks. The recommendation requested that Finance update their P-card (Procurement Card) policy to address the process for separating employees. Finance completed the policy update and received input from Audit staff on the draft P-card policy. They submitted the policy to the Office of Government and Community Affairs for the formal approval process. MR. SMITH anticipated the policy to be finalized soon and appreciated Finance's efforts in updating their policy to ensure that P-cards are appropriately deactivated upon employee separation.

Motion made by Chad Kaercher to Accept the report

Passed For: 4; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 1

For-Eric Preiss, Chad Kaercher, Nancy Brune, Marilyn Booker; Excused-Kara Kelley;

8. **Discussion regarding topics for future agenda items.** Comments made during this portion of the agenda by individual members shall refer solely to proposals for future agenda items and any discussion shall be limited to whether or not such proposed items are within the purview of the Committee and/or whether such proposed items shall be placed on a future agenda. No discussion regarding the substance of any such proposed topic shall occur and no action shall be taken.

Minutes:
None.

9. **Citizens Participation:** Public comment during this portion of the agenda must be limited to matters within the jurisdiction of the Committee. No subject may be acted upon by the Committee unless that subject is on the agenda and is scheduled for action. If you wish to be heard, come forward and give your name for the record. The amount of discussion on any single subject, as well as the amount of time any single speaker is allowed, may be limited.

Minutes:
None.

10. **Adjournment**

Minutes:
CHAIR PREISS announced the next Audit Oversight Committee meeting was scheduled for July 20, 2026.

The meeting was adjourned at 10:29 a.m.

Respectfully submitted:

Yvett Elauria

Yvett Elauria, Deputy City Clerk

Jacquie Miller

Jacquie Miller, Assistant Deputy City Clerk

THIS MEETING WAS PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS
IN ACCORDANCE WITH THE NOTICING STANDARDS AS OUTLINED IN NRS 241.020:
The City of Las Vegas website – www.lasvegasnevada.gov
The Nevada Public Notice website – notice.nv.gov
Civic Center Building A, 525 South Main Street, 1st Floor
City Hall, 495 South Main Street, 1st Floor