



September 13, 2016
Durham County Audit Oversight Committee Minutes

I. Call to order

The meeting was called to order at 3:30 PM in the Durham County Manager's Conference Room; 200 East Main Street, Durham, NC 27701

II. Members

Present: Mr. Manuel Rojas, Chair; Mr. Arnold Gordon, Vice Chair; Commissioner Michael Page; Mr. Harrison Shannon, Member; Mr. Wendell Davis, County Manager.

Absent: Commissioner Brenda Howerton

Presenters: Greg Marrow, Chief Information Officer; John Myatt, Assistant Director of Info Technology; Kierra Simmons, Internal Auditor; Mr. Wendell Davis, County Manager

Others Present: Greg Marrow, Chief Information Officer
John Myatt, Assistant Director of Info Technology
Kierra Simmons, Internal Auditor
Alecia Amoo, Internal Auditor

III. Business

A. Prior Meeting Minutes

Mr. Arnold Gordon moved and Commissioner Page seconded the motion to approve the March 8, 2016 minutes and the June 21, 2016 memo as read. Minutes and memo were approved unanimously.

B. Selection of Officers for Fiscal Year 2017- Committee

Mr. Harrison Shannon nominated Mr. Manuel Rojas as committee chair and Commissioner Page seconded the nomination. Commissioner Page nominated Mr. Arnold Gordon as Vice Chair and Mr. Gordon accepted the nomination. Commissioner Page nominated Mr. Harrison Shannon as secretary of the committee. All members were in favor of each elected nominee.

C. Discussion and Approval of Proposed 2017 Annual Audit Plan – Committee

Mr. Manuel Rojas wanted the minutes to reflect that a meeting was held on June 21, 2016 and a quorum was not present; however, there was a discussion held about the items in the audit plan. Mr. Rojas asked the committee whether they had any questions about the proposed audit plan. No questions were presented to the committee. Mr. Gordon moved to approve the proposed 2017 Annual Audit Plan and Mr. Shannon seconded the motion. The plan was approved unanimously.

D. IT Strategic Plan- Greg Marrow and John Myatt

Mr. Rojas stated that IT has a strategic plan and the committee wants to continue to follow up with IT to ensure that IT has the proper controls and plans necessary to address risks. Mr. Marrows stated that they have created Durham County's first strategic plan for the IT Department. The plan helps identify areas of risks. Mr. Marrow provided a one page summary of the strategic plan which outlined seven goals that are important to the County. However, Mr. Marrow focused his discussion on the 4th goal: IT Operations and Infrastructure, specifically developing a disaster recovery strategy and plan. Mr. Marrow stated that John Myatt runs the operations and infrastructure sector of IT. The development of the disaster recovery plan was broken down into two phases. Phase one, which has been completed, consisted of completing an inventory assessment, determining what is at risk, and identifying vendors. Phase two consists of identifying a location for a "warm site." Mr. John Myatt stated that IT has not secured a location at the moment but they have been exploring an opportunity to secure a site at the waste water plant. The waste water plant is located at a distance that is far enough away from the County to align with best practices in regards to warm site locations. At the location there are plans to build a new building and IT was offered to tour the space and give input on IT's needs for a warm site. Mr. Rojas agreed that this was an excellent opportunity to create a site because the site is in the process of being built; therefore, IT can ensure that its equipment, electrical, and communication needs are properly installed in the site.

Mr. Gordon had a concern that the proposed site sits at a relatively lower elevation than the majority of the city so it would be subject to damage by flooding or heavy rain. Mr. Wendell Davis ensured Mr. Gordon that the location is reasonably safe because the County has made substantial investments to address flooding challenges at that location. Mr. Rojas asked whether any outside energy sources would be providing IT with services for the site. Mr. Myatt stated that IT has an engineering firm that will help with site development.

Mr. Marrow stated that IT has a Redundant Internet Connection (RIC) with two ISP. Mr. Rojas asked how often the RIC would be tested and Mr. Myatt responded that IT currently does not have plans regarding the testing frequency. Mr. Rojas stated that IT should include the RIC testing plans in the disaster recovery strategy and plan.

Mr. Rojas wanted to ensure that minutes reflected that the Audit Oversight Committee has received the report from IT on the strategic plan and the disaster recovery strategy and plan.

E. Ongoing Audit Status- Kierra Simmons

Kierra Simmons informed the Audit Oversight Committee of the current Succession Planning audit engagement that is underway. Ms. Simmons explained the steps that were taken during the audit process and the findings that resulted from the engagement. Lastly, Ms. Simmons stated that Internal Audit has completed a draft report for the Succession Planning engagement and is currently waiting for a managerial response from HR Director, Kathy Everett-Perry.

Mr. Rojas asked whether succession planning focused on managers retiring and leaving unexpectedly. Mr. Davis explained that succession planning addresses key positions as well as managerial positions. He further explained to the committee the many challenges of succession planning in Durham County, including retiring employees and competitive salaries in surrounding counties. Durham County is focused on developing a strategy to ensure that individuals are properly equipped to move into key or critical roles as they become vacant.

F. Old and New Business

None.

G. Next Meeting Date:

December 13, 2016, 3:30 P.M.

IV. Adjournment

There being no further business, the meeting was adjourned at approximately 4:15 PM.