



**STATE OF TENNESSEE
TENNESSEE COMMISSION ON CHILDREN AND YOUTH**

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AUDIT COMMITTEE

Via Teleconference
Wednesday, December 09, 2015
9:00 a.m.

MINUTES

Present

Christy Sigler, Chair
Bill Haynes
Gary Houston
Amy Lawrence
Rob Mortensen

Absent

Phil Acord
Jill Grayson Stott

Staff

Linda O'Neal
Richard Kennedy
John Rust
Natasha Smith
Nancy Townsend

I. Welcome and Introductions – Christy Sigler, Chair

Sigler called the meeting to order at 9:00 a.m.

II. Review and Approval of Financial Integrity Act Submission - Richard Kennedy

Kennedy gave a brief overview of the purpose of the Financial Integrity Act and highlighted a few changes to the documents previously sent to the Committee members. Kennedy, Nancy Townsend and John Rust collectively reviewed the documents and clarified specific language and roles. There were no substantive changes at made to the document since the last submission.

Kennedy said many of the changes pertained to updating language to reflect policy changes and personnel assignment changes. He also noted Centralized Accounting made suggestions about referencing Finance and Administration and Centralized Accounting in some sections and removing repealed policies.

The Committee did not see a need to go through the documents line-by-line since there were no substantive changes. The report is due December 31, 2015.

IT WAS MOVED (MORTENSEN) AND SECONDED (HAYNES) TO APPROVE THE FINANCIAL INTEGRITY ACT TO BE SUBMITTED BY DECEMBER 31, 2015. UNANIMOUSLY CARRIED.

II. Potential Changes to the Document in 2016– Nancy Townsend

Townsend reported during the past year the Department of Finance and Administration and the Comptroller’s Office staff have been reviewing changes in the accounting profession regarding internal control and risk assessment. Revised report formats will not be available for state agencies to use until early 2016. The revisions are based on new accounting guidelines focusing more on internal controls and fraud within the agencies. She said the changes will allow the documents to be more streamlined and agency specific.

O’Neal commended Kennedy, Rust and Townsend on reviewing and identifying the potential risks.

O’Neal informed the committee the Comptroller’s office has initiated a nine-month performance review audit of the Second Look Commission in conjunction with their audit of the Department of Children’s Services. She said Sunset Reauthorization for the Second Look Commission is scheduled for 2017.

IV. Other Business

There being no further business the meeting adjourned at 9:18 p.m.

Minutes Prepared by:

Minutes Approved by:

Natasha M. Smith, Director of Operations
and Special Projects

Christy Sigler, Committee Chair