



ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL
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AUDIT COMMITTEE STAFF REPORT

Meeting: September 27, 2021

Subject

Audit Committee Meeting Frequency.

Recommended Action

Consider Approving Changes to the Audit Committee Meeting Frequency.

Discussion

City Municipal Code Chapter 2.88.060 Meetings states, "The Audit Committee shall establish a regular time and place of meeting and rules of conduct thereof and shall hold at least one regular meeting quarterly." The Audit Committee has historically held regular meetings on a quarterly basis; however, in recent years and in order to complete the Committee's annual tasks, the need to hold 2-3 additional special meetings per year has occurred.

Effective July 21, 2020, City Council adopted Ordinance No. 20-2208 amending Chapter 2.88.100 Duties-Powers-Responsibilities of the City Municipal Code to include recommending appointment of internal auditors and to review internal audit reports. The City's internal audit function is broad-scoped and is anticipated to bring forward multiple internal audit reports throughout a respective fiscal year.

Because the timing of completion of these reports may not coincide with the Committee's regularly scheduled quarterly meetings and because each of the internal audit reports will likely warrant significant time and discussion, City staff recommend bifurcating the Committee's tasks to separate meetings. Regular quarterly meetings may be reserved for Duties-Powers-Responsibilities "A" through "F" and additional special meetings shall be scheduled for Duties-Powers-Responsibilities "G" to review internal audit report reviews on an ad hoc basis. With the City's internal audit function slated to complete approximately four (4) internal audit reports per year, it is anticipated four (4) additional special meetings would be held. Staff believe this will provide sufficient time for the Audit Committee to carry out its Duties-Powers-Responsibilities on an annual basis.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

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Reviewed by: Kristina Alfaro, Director of Administrative Services

Approved for Submission by: Greg Larson, Interim City Manager