

Audit Committee

Monday, July 7, 2025
1:30 PM

City Hall Building – Uptown Conference Room – 1st Floor
1111 1st Avenue, Columbus, GA 31901

Members: Chairman John Redmond, Vice Chairperson Toyia Tucker, Mike Baker, Mike Bruder (*via teleconference*) and Councilor Glenn Davis

Recording Secretary: Clerk of Council Lindsey G. McLemore

Visitors: Mayor B. H. “Skip” Henderson, Deputy City Manager Pam Hodge, Deputy City Manager Lisa Goodwin, Internal Auditor/Compliance Officer Donna McGinnis, Mauldin & Jenkins Parter David Roberts, and Mauldin & Jenkins Director Craig Carter

Call to Order

A regular meeting of the Audit Committee was called to order by Chairman John Redmond at 1:36 p.m.

ORDER OF BUSINESS

I. Risk Assessment Update

Craig Carter, Director, Mauldin & Jenkins, provided a presentation agenda listing key topics for discussion; (A) Role of the Internal Audit, (B) Internal Audit Annual Cycle, (C) Risk Assessment Process: Inputs, Outputs, and Deliverables, (D) Hand-off to Internal Audit for Audit Planning, and the (E) Next Steps.

A. Role of the Internal Audit

- Provide independent, objective assurance and advice.
- Operates within the *Three Lines of Defense Model*.
- Align audit activities with Strategic Plan, budget, and priorities.
- Identify and assess emerging risks and interdependencies.

B. Internal Audit Annual Cycle

- Establish Risk Profile – risk appetite, emerging risk identification, validation.
- Develop IA Plan – prioritization, capabilities assessment, scheduling.

- Perform IA Reviews – testing, data analytics, audit findings.
- Agree & Communicate Results – final report, management action plans, committee reporting.
- Assess Stakeholder Experience – satisfaction surveys, scorecard reviews.
- Risk assessment to be refreshed annually; full reassessment every 3–5 years.

C. Risk Assessment Process: Inputs, Outputs, and Deliverables

1) Conducting the Risk Assessment

- Identify, assess, and prioritize strategic, financial, operational, legal/regulatory risks (per COSO framework).
- Incorporates IT risk assessment.
- Risk universe includes services, systems, processes, third-party providers, and compliance requirements.

2) Risk Assessment Inputs

- Financial Statements – Prior Audit Universe and Risk Assessments (if available)
- 2025-2026 Budget – Programs and Services offered during 2025
- 2025 Strategic Plan – Inventory of Applications & Systems
- Current-year Strategic Plan – Regulatory Reports for applicable laws and regulations
- Strategic Initiatives & Improvement Plans – Recent 3rd Party Assessment Results (e.g., Federal Grants)
- Bond-funded Initiatives – Inventory of 3rd Party Service Providers
- Chart of Accounts – Process and Key Controls Documentation
- Internal Policies – Interviews with Board, Leadership and Key Personnel

3) Risk Assessment Outputs (Deliverables)

- Initiation & Planning – (a) Initial Information Request (b) Initial Document Request List
- Information Gathering – (a) Additional Information and Interview Requests (b) Tracking Matrices

- Fieldwork & Data Analysis – (a) Analyze information provided by the Government (b) Conduct leadership, management and staff interviews (c) Perform fieldwork – process workflows, processes, and systems
- Validation & Reporting – (a) Draft Universe with Auditable Entities (b) Draft and Final Risk Assessment (c) Final Report Presentation

D. Hand-off to Internal Audit for Audit Planning

- The risk assessment output becomes the foundation for Internal Audit’s annual and multi-year audit planning.
- Craig noted their team will provide a draft audit approach suggesting activities by year for Internal Audit to refine.
- Internal Audit remains responsible for developing the detailed work programs.
- A key objective is to transfer knowledge so that internal audit staff can replicate the risk assessment process in subsequent years.

E. Next Steps

- Conduct formal project kickoff meeting.
- Distribute interview and information request lists.
- Project sponsor to assemble and deliver requested documents.
- Mauldin & Jenkins track document flow, assess completeness, and begin analysis.
- Draft annual audit plan for Audit Committee review and approval.

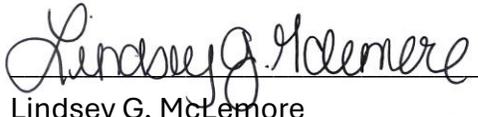
Discussion & Comments:

- **Councilor Davis** emphasized the intent of these assessments and the positive impact on current and future leaders in CCG, reinforcing the value of these assessments as both a governance and leadership development tool.
- **Deputy City Manager Hodge** requested clarification on the expectations of the Audit Committee regarding the receipt of reports, particularly around frequency and format.

Adjournment

With there being no further business to discuss, Chairman Redmond entertained a motion for adjournment. Vice Chairperson Tucker moved to adjourn, seconded by Committee

Member Baker, and the motion carried unanimously by the five members present, with the time being 2:36 p.m.

A handwritten signature in cursive script that reads "Lindsey G. McLeMore". The signature is written in black ink and is positioned above a horizontal line.

Lindsey G. McLeMore

Clerk of Council