



## Council Executive Committee

---

Location: Embassy Suites Nashville Airport  
Embassy Boardroom,  
10 Century Blvd., Nashville, TN 37214  
Date: Thursday, May 3, 2018  
Time: 3:00 P.M. CDT/4:00 P.M. EDT

**Present:** Tecia Puckett Pryor, Lisa Johnson, Serina Gilbert, Steve Sheegog

**Absent:** Evan Espey

**Staff:** Wanda Willis, Lynette Porter, JoEllen Fowler

### 1) **Call to Order**

After ascertaining there was a quorum, Tecia Puckett Pryor, Chair, called the meeting to order at 3:14 p.m.

### 2) **Consent Agenda: Approve Executive Committee Agenda and April 10 Minutes**

*Serina moved to approve the Executive Committee Agenda and the April 10 minutes as written. Steve seconded. Approved.*

### 3) **Audit Update**

Lynette reported that after careful research, and discussions with the Comptroller's staff, it has been determined that the Council on Developmental Disabilities, as a Council established in State government, is required to have an audit committee. This is in compliance with Tennessee Audit Committee Act of 2005.

The minimum responsibilities of an audit committee established by the Comptroller of the Treasury include the following:

1. **Develop a written charter** that addresses the audit committee's purpose and mission.
2. Formally and regularly **inform the Council and staff their responsibilities** for preventing, detecting, and reporting fraud, waste and abuse.
3. **Serve as a facilitator for any audits or investigations** of the agency.
4. **Develop a formal process** for assessing the risk of fraud at the agency.
5. **Develop a process for confidential reporting of allegations of fraud, waste or abuse** in line with Tennessee code. Also **communicate to staff** their responsibilities to report.
6. **Immediately inform the Comptroller** of the Treasury's Office when fraud is detected.
7. **Develop a written code of conduct for the Council** reminding the members, staff,



and agency management of the public nature of the agency and the need for all to maintain the highest level of integrity and to avoid engaging in activities which would otherwise bring dishonor to the agency.

### Process for Development of a Council Audit Committee

Audit Committee Act requirements for audit committee development:

- The audit committee creates the charter for the committee.
- The charter and any subsequent amendments shall be presented for approval to:
  - The full Council and
  - The Comptroller of the Treasury
- The audit committee must:
  - Be a standing committee
  - Have a minimum of 3 members. There are member qualifications
  - Determine the frequency of and procedures for their meetings
  - Have member terms defined in the charter

### Timeline to have a Council Audit Committee in place this calendar year:

**April:** Staff and Executive Committee complete research needed for formation of audit committee.

**May:** Chair updates Council on Audit committee development process and tentative timeline.

**Summer:** Staff and Executive Committee work to outline draft committee structure. Chair identifies Audit committee chair and members.

**September:** Brief business meeting ahead of Retreat – Chair brings nominations for Audit committee Chair and members to Council for approval.

**October:** Audit committee members develop charter.

**November:** Audit committee brings charter to Council for approval. If approved, charter goes to Comptroller for final approval.

**December:** Audit committee works with staff on finalization of 2018 Enterprise Risk Assessment :

- Due to Comptroller 12/31/18.
- Third agency Enterprise Risk Assessment
- Tools and guidance provided by Department of Finance and Administration

Wanda explained that if there was suspicion of fraud, waste or abuse it would be reported directly to the Chair of the Audit Committee. Large departments have Internal Audit sections but State government entities that have boards and commissions need an Audit Committee. However, the scope is limited to what is listed here.

## 4) **Federal Budget Update**

Wanda reminded everyone that State Councils on DD received an increase in our



appropriation in the Omnibus Bill funding for the current fiscal year which hopefully sets us up for level funding next year. We do not know the amount of increase Tennessee will receive. The federal administration will apply a formula to all the states before our individual amount is known. The formula used for dividing the appropriation among Councils is very complicated and controls for many factors which makes it difficult to verify, but we do receive a list of all allotments.

The Office of Government Management (OGM) is implementing a new interpretation of the timeframe Councils have to obligate and spend their federal awards. Councils will no longer have a third year to spend their grant money. Other federal budgets allow spending in the third year which is why Councils have questions about the new process. We have just learned that AIDD has delayed implementation of the new process until the federal FY19 appropriation to allow Councils to plan for the change in interpretation and avoid unspent third year dollars.

5) **Review May 4 Council Meeting Agenda**

Wanda reviewed the Council meeting agenda.

6) **Council Appointments**

Wanda reminded the Committee that all of our appointments this year are reappointments, except for Memphis. Staff are working hard looking for nominees and interviewing potential nominees. *Steve met someone who might be good candidate and will send staff their contact information.*

7) **Motion to Adjourn**

***At 4:14 p.m. Steve moved for adjournment. Serina seconded. Approved.***

**Next call:** Tuesday, June 5, 2018 at 11 a.m. Central/12 noon Eastern

**Next meeting:** Wednesday, September 12, 2018 at 3 p.m. Central/4 p.m. Eastern @ Embassy Suites Nashville Airport

Prepared by: JoEllen Fowler, Administrative Assistant

Approved by: Wanda Willis, Executive Director