

MINUTES

Tuesday, September 4, 2012

5:10 PM

Fiscal Committee Carnegie Town Hall

235 West 10th Street

Members Present: Council Member Sue Aguilar, Council Member Dean Karsky,
Council Member James Entenman, Council Member Greg Jamison

Members Absent: None

Staff Present: Jim David, Legislative/Operations Manager; David Bixler, Budget
Analyst; Rich Oksol, Lead Internal Auditor

Guests: Michelle Erpenbach

1. Call To Order

Council Member Dean Karsky called the meeting to order at 5:10 p.m.

2. Approval of Minutes

A Tuesday, July 3, 2012

A motion was made by Sue Aguilar and seconded by Greg Jamison to approve the
minutes dated Tuesday, July 3, 2012.

Karsky called for a voice vote on that motion and all members voted yes.

Motion Passed.

3. Reports and Updates

A Fraud Control Policy by Rich Oksol, Lead Internal Auditor

Rich Oksol stated it is best practice that many organizations have a fraud
control policy. This draft policy has been in the process for over a
year and was written by Oksol along with City Attorney Dave
Pfeifle and Human Resources Director Bill O'Toole.

Oksol added the City has had a fraud hotline since 2008 and this
policy puts in writing the procedure for handling these calls. Also
incorporated into the policy is a Fraud Coordination Committee which will
consist of Oksol, Pfeifle, O'Toole, and Audit Committee Chair Greg
Jamison. The writing of this policy was completed after an ordinance was
recently adopted stating that allegations of elected officials is now
relegated to the Board of Ethics. The policy covers
numerous items and is comprehensive based on what other organizations have in
place for a fraud policy. Oksol is asking for this item to be sent to
the full Council for adoption by resolution.

Jamison reminded the committee that Council Member Sue Aguilar, Council
Member Jim Entenman, and Jamison are on the Audit Committee and
this draft policy was the result of a call to the Fraud
Hotline. The purpose of this policy is to implement

practices to prevent fraud from happening. Jamison is interested in adding a fraud detention segment and the use of GPS tracking systems or other means of ensuring fraud does not occur.

Oksol stated the issue of GPS units has been discussed by local governments. There can be issues with Union contracts, State laws with regard to work place surveillance, and privacy rights.

Oksol met with the directors and introduced the fraud policy and the reasoning for said policy. He will meet individually again with the directors to identify scenarios or areas for vulnerability in each individual department and discuss what is in place for preventive action.

Entenman added the last point tasks and allows the flexibility of not knowing what will happen in the future. Fuel cards are a prime example of this and are able to be validated with new technology.

A motion was made by Greg Jamison and seconded by James Entenman to forward this item to the full City Council in the form of a resolution for a vote.

Karsky called for a voice vote on that motion and all members voted yes.

Motion Passed.

B Developing City-Wide Fees Including Park Department Fees by Rich Oksol, Lead Internal Auditor, and Jim David, Legislative/Operations Manager

Jim David gave a brief update on the development of City-wide fees as well as making these fees, including park fees, available on the City's web site. The development of these items is pending the recodification of the Code of Ordinances of Sioux Falls, South Dakota.

Lorie Hogstad, City Clerk, stated that a presentation will be made at the Public Services Committee Meeting on Tuesday, September 11, 2012 following the Informational Meeting, regarding the recodification project. There is a time table set forth and the proposed adoption of the recodified ordinances will be December 4, 2012, with the ordinances being effective January 1, 2013.

It was determined to bring this item back to the Fiscal Committee after the new ordinance books are received and/or the new version of the code is available on-line, in either January or February of 2013.

4. Open Discussion

Jamison questioned when the request made by Council Member Kermit L. Staggers to address the Fiscal Committee to determine a process/procedure for reassigning excess funds to benefit citizens, would be heard. Karsky stated he has not heard from Staggers regarding a meeting date. Hogstad said she will contact Staggers to determine when he would like this item placed on an agenda.

5. Adjournment

Karsky adjourned the meeting at 5:30 p.m.

Lorie Hogstad

City Clerk