

Minneapolis Audit Committee

Date: September 21, 2010

To: Members of the Audit Committee

Referral to: Minneapolis City Council Rules Committee

From: Diane Hofstede, Chair

Subject: Report of the Audit Ad Hoc Sub-Committee

Recommendation: Approve changes to the organizational and operating structure of the Audit Committee, and refer that recommendation for consideration by the Minneapolis City Council Rules Committee and action by the City Council.

Previous Directive: Audit Ad Hoc Sub-Committee formed 8/17/2010, with direction to work with City staff to draft rules for change of the Audit Committee structure from a standing committee of the Minneapolis City Council to options of a) a standing committee with powers; and b) an independent committee.

Department Information

Prepared by: Casey Joe Carl, City Clerk Approved by: Diane Hofstede, Chair, Audit Committee Presenters in Committee: Magdy Mossaad, Internal Auditor; Susan L. Trammell, City Attorney's Office; and Casey Joe Carl, City Clerk

Your sub-committee to whom was referred the question of a proposed classification and organizational structure for the Audit Committee now reports its recommendation, as follows:

1. That the Audit Committee approve the recommendation of its sub-committee to authorize changes in the organizational and operating structure of the Audit Committee from that of a Standing Committee, subject to City Council, to an independent committee as envisioned under the enabling ordinance;
2. That the Audit Committee refer its action for the new operating and organizational structure for review and recommendation by the Standing Committee on Rules; and
3. That the Audit Committee include, as a part of its report, a recommendation that the City Council direct staff to update the table of organization for the City of Minneapolis, if the recommendation of the Audit Committee is adopted.

Proposed Timeline:

- Refer to Rules Committee to be considered at a meeting to be scheduled for Thursday, September 23, 2010;
- Decision by Rules Committee reported to City Council on September 24, 2010;

- Formal consideration and action by City Council at regular meeting of Friday, October 8, 2010.

Supporting Information:

- 1) Revised Audit Committee Classification Alternatives
- 2) Proposed Rules for Standing Committee "with Powers"
- 3) Proposed Rules for Independent Committee