



**CARES Act Task Force Audit & Compliance Committee Orientation Meeting  
Meeting Minutes – Wednesday, September 23, 2020  
11:00 a.m. Virtual Zoom Webinar**

**Attendance:**

**Committee Members Present:** Co-Chair Bob Wasserbach (County Auditor), Co-Chair Michael Smith (NCC Chief Financial Officer), County Councilwoman Janet Kilpatrick, NCC Audit Committee Chair Martin Taylor, NCC Audit Committee Member Sharita Perkins and Tarik Haskins (Morris, Nichols, Arsht & Tunnell, LLP).

**Committee Members Absent:** None.

**Others in Attendance:** NCC Chief of Staff Aundrea Almond, County Attorney Wilson Davis, County Solicitor Karen Sullivan, Community Services Manager Carrie Casey, Executive Assistant Susan Moore, Assistant County Attorney Nicholas Brannick, E. David Barth (Grant Thornton), 2 members of public, and 5 other NCC staff members.

**Proceedings:**

- Meeting was called to order at 11:01 a.m. by committee Co-Chair Bob Wasserbach.
- A motion to approve the minutes from the last meeting was approved unanimously after it was proposed and seconded by committee members.
- Co-Chair Bob Wasserbach asked committee members for their availability to meet next week to vote on the Subrecipient Monitoring Policy. It was decided that the meeting would take place next Wednesday at 10 a.m.
- Next, Co-Chair Bob Wasserbach gave a PowerPoint presentation on the Subrecipient Monitoring Policy:
  - The first slide listed items that needed to be resolved:
    - It was agreed that Grant Thornton would get back on items required to be identified to subrecipient per 2 CFR 200.331(a).
    - The committee was informed that either a Department of Finance employee or contractor will be doing subrecipient risk analysis and monitoring.
    - There is now a Subrecipient Risk Analysis document for each grant program.
    - Co-Chair Bob Wasserbach will work on the forms for desk reviews and site visits.
  - Health Equity grant program: Co-Chair Bob Wasserbach gave a brief overview of the program and then went into the risk scoring rationale and the proposed award amount thresholds

(based on applications received) in the risk analysis documents. Committee member Tarik Haskins asked about the implication of being deemed high risk. Co-Chair Bob Wasserbach said that the level of monitoring would depend on an entity's risk score. While all subrecipients would be subject to desk reviews, high risk subrecipients would undergo more scrutiny like site visits, etc. Co-Chair Michael Smith added that multiple reporting might also be tied to high risk. Grant Thornton's David Barth agreed that level of monitoring would be determined by the level of risk.

- Innovations grant program: While going over the proposed award amount thresholds (based on applications received) for the program's risk scoring, Co-Chair Bob Wasserbach pointed out that \$30.1 million worth of grant requests had been received for this program, whereas only \$5 million had been appropriated for it. Nicholas Brannick suggested that award amount thresholds should be made to align with the actual grant amounts awarded instead of the award amounts requested in the applications. Co-Chair Bob Wasserbach then asked other committee members if they agreed with using actual grant award amounts, instead of the award amounts requested, to determine the award amount thresholds for risk scoring. Councilwoman Janet Kilpatrick and NCC Audit Committee Chair Martin Taylor agreed that it was a good idea.
- Distance Learning grant program: Co-Chair Bob Wasserbach pointed out that as per Treasury guidance, schools do not need to document the specific use of funds up to \$500 per student. The County is allowing applicants to apply for \$50 per student, well below the \$500 threshold. Therefore, unless the subrecipient has previous monitoring results which indicate a possible negative effect upon the performance of the award, the subrecipient will be identified as "Low Risk."
- Food Distribution grant program: Co-Chair Bob Wasserbach pointed out that no dollar amounts were specified for this grant program. NCC Chief of Staff Aundrea Almond added that applications had been received from both small and large organizations. Decisions on these applications were likely to be made by end of the week.
- Municipalities and Fire Companies program: Councilwoman Janet Kilpatrick asked whether all the requests from municipalities and fire companies were for reimbursements. Co-Chair Michael Smith replied that requests were primarily for reimbursements. For the few pre-approval requests, there is a pre-approval process which includes a follow-up eventually by an employee in the Office of Finance.

**Public Comment:**

- Bob M. from Integrated Infrastructure, an applicant to the Innovations grant program, asked for the draft Subrecipient Monitoring Policy to be posted on the website. Also, he said that it is common to use a third-party audit firm for auditing federal grant programs. Co-Chair Bob Wasserbach asked Aundrea Almond and Nicholas Brannick if they had any concerns with posting the draft policy online;

neither had any concerns with doing so. Councilwoman Janet Kilpatrick added that it would be preferable to post the draft policy online now, so that all public comments could be received prior to the final draft.

- Next, County Attorney Wilson Davis had a question for Grant Thornton. He asked whether risk analysis could be done by a newly trained person or did risk analysis need to be done by a person with prior experience. David Barth responded that if there were detailed policies and procedures for risk analysis, it was possible to train a new person to perform the analysis.

**Adjournment:**

- Co-Chair Michael Smith made a motion to adjourn the meeting, which was seconded by Councilwoman Janet Kilpatrick. The motion passed unanimously and the meeting ended at 11:36 a.m.