

MINUTES
Meeting of the Finance Committee
July 23, 2019 - 6:30 p.m.
Village Hall of Tinley Park – Council Chambers
16250 S. Oak Park Avenue
Tinley Park, IL 60477

Members Present: D. Galante, Chairman
C. Berg, Village Trustee
M. Mueller, Village Trustee

Members Absent: None

Other Board Members Present: M. Glotz, Village Trustee

Staff Present: D. Niemeyer, Village Manager
P. Carr, Assistant Village Manager
B. Bettenhausen, Village Treasurer
D. Spale, Village Attorney
D. Framke, Marketing Director
L. Godette, Deputy Village Clerk
L. Carollo, Commission/Committee Secretary

Item #1 - The meeting of the Finance Committee was called to order at 7:18 p.m.

Item #2 – CONSIDER APPROVAL OF THE MINUTES OF THE SPECIAL FINANCE COMMITTEE MEETING HELD ON JULY 23, 2019 – Motion was made by Trustee Mueller, seconded by Trustee Berg, to approve the minutes of the Special Finance Committee meeting held on July 23, 2019. Vote by voice call. Chairman Galante declared the motion carried.

Item #3 – REVIEW JULY FINANCE REPORT - B. Bettenhausen, Village Treasurer presented a revenues update for July 2019 - Fiscal Year 2020, Month 3. A summary status of revenues for Sales Tax, Home Rule Sales Tax, Use Tax, Income Tax, Property Tax, Video Gaming, Motor Fuel Taxes and Commuter Parking was the subject of the report.

Chairman Galante asked the Finance Committee if there were any questions. No one came forward.

Item #4 – REVIEW RECOMMENDATIONS FOLLOWING THE BKD REPORT - Mr. Bettenhausen presented a comprehensive review on the BKD Report on Process Analysis and Assessment dated October 5, 2018, as below.

- Purchasing
Centralized Purchasing Department: Action: Future consideration.
Purchasing policies available to employees: Action: Available on SharePoint Intranet.
Review purchasing matrix: Action: Updated in June 2019, under ordinance 2019-O-033.
- Approval of Expenditures
Removal of printed signatures: Action: None.
- Vendor Management
Flagging inactive vendors: Action: Ongoing.

Consider removing inactive vendors from system: Action: Future consideration.
Changes to vendors reviewed by management: Action: Completed.
Splitting vendor maintenance and payment roles: Action: Completed.

- Super Users Monitoring
Separate setup of users from change of access rights: Action: In process.
Standardize docs re-provisioning of software: Action: In process.
Periodic review of user access rights: Action: Ongoing.
- Segregation of Duties
Bank reconciliations - Separate individual tasks: Action: Completed.
Bank reconciliations - Identify preparer and date: Action: Completed.
- Significant Control
Checks and balances: Action: Ongoing.
Credit card statement reviewed by others: Action: Ongoing.
- Computer Applications Access Authorization
Create forms for authorization: Action: In process.
- Payroll
Electronic timekeeping: Action: In process.
- Expense Reimbursement
Standardized form for expense reimbursement: Action: Completed.
- Computer Backup
Periodic testing of backup/recovery: Action: Ongoing.
Disposal of documents converted to electronic: Action: Ongoing.
- Police Department - Ticketing/Collection
Implement Tyler Cashiering: Action: Completed.
Outsourcing vehicle stickers: Action: In review.
- Accessibility - Financial Related
Review security of check stock and signed checks: Action: Ongoing.
Surprise audits of petty cash and cash drawers: Action: Ongoing.
Review security of keys related to cash and checks: Action: Ongoing.
- House Accounts
Review protocols for established house accounts: Action: Ongoing.
- Capital Projects
Review process for final payouts on projects: Action: Ongoing.
Post bid summaries: Action: Ongoing.
- RFQ/RFP
Perform periodic data analytics: Action: Ongoing.
Elected official recuse/disclose relationships: Action: Ongoing.

- Hotline: Action: Established in March 2019 - No activity reported.

A detailed discussion ensued primarily of the Village's Purchasing Process, Board Approval of Expenditures, Vendor Management and Super Users.

The BKD report provided a total thirty-one (31) recommendations:

Twenty-three (23) recommendations have been addressed;

Five (5) recommendations are in process;

One (1) recommendation: No action was taken;

Two (2) recommendations will be considered further.

Chairman Galante stated appreciation of Mr. Bettenhausen's hard work.

Chairman Galante recommended training and Month-End Reports for key master controls. In response to Trustee Berg's question about setting up centralized purchasing, D. Niemeyer, Village Manager stated it needs to be established and may be addressed in the upcoming budget. Trustee Mueller stated a concern with management's responsibility with access rights. Trustee Glotz stated concerns with elected official influence, i.e. firehouse, BKD report management. Mr. Niemeyer recommended in future an Audit Committee be established.

Chairman Galante asked the Committee if there were any other questions. No one came forward.

Item #5 – RECEIVE COMMENTS FROM THE PUBLIC - No comments from the public.

ADJOURNMENT

Motion was made by Chairman Galante, seconded by Trustee Mueller, to adjourn this meeting of the Finance Committee. Vote by voice call. Chairman Galante declared the motion carried and adjourned the meeting at 8:08 p.m.

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