

## Minutes of the Corporate Management Team (CMT) Meeting 27th March 2018

### Present:

Sue Winspear (SW), Auditor General  
Garnet Harrison (GH), Deputy Auditor General and Freedom of Information Manager  
Kim Lutz (KL), Finance & Administration Manager  
Angela Cullen (AC), Director of Performance Audit  
Patrick Smith (PS), Director of Financial Audit

SW chaired the meeting.

### 1. Approval of Minutes

The minutes of 5th March 2018 meeting were agreed subject to the AOB minute being added  
(Action: SW)

### 2. Action items / Matters Arising

The action items still outstanding from the meeting of 5th March 2018 are:

- a) Develop a strategy, through EPS work, for dealing with old court fund trust papers and new ones going forward. (Action: PS)
- b) Filing cabinets should be locked to avoid odd papers being put into them during the course of the year. (Action: GH)
- c) Off line AC, GH, KL & JA to discuss and agree how TRS code "PA/Prog18" would be dealt with consequent to CMT deciding not to charge this time to PAC (i.e. whether to change the description code or the client code). (Action: AC/KL/GH/JA)

### 3. Leading by Example

**A well governed and transparent organisation:**

a) GH reported that the **2016/17 Financial Statement audit** had been completed by Baker Tilly and was undergoing final partner review at the moment. GH had made a separate note disclosure on deferred revenues on the advice of the audit partner and so CMT should review this with the next version of the annual report circulated. On the **Annual Report**, AC would add her changes to the version SW had reviewed and then GH would circulate a second version for SW, PS & AC to review prior to its finalization and submission to Baker Tilly (Action: GH & then rest of CMT). SW thanked GH for all that he had done to prepare the annual report and said that it was an excellent first draft that CMT were asked to provide comments on.

b) The **OAG monthly detailed expenses to the end of February 2018** were presented by KL to the CMT meeting on 5<sup>th</sup> March and so not discussed again. KL mentioned that OAG currently had around \$850k in cash as a consequence of the new staged billing arrangements. Given KL was going to be out of the office the first week in April and the healthy cash balances, CMT decided not to bill for the interim audit stage at the end of March but to wait and invoice for interim and final payments together after the end of April for all those completed by the statutory deadline and for interim should any not achieve the statutory deadline. GH would produce the March PAC invoice (**Action: GH**)

### **Threats to Independence Annual Return 2018**

c) CMT considered the updated paper SW had prepared based on the annual declarations of interest / ethics forms returned by OAG staff and noted and agreed the contents. SW and GH signed off the form for the record. No significant threats were identified and mitigating actions determined for threats deemed sufficiently significant.

### **A well-organized & sustainable organisation:**

d) SW updated on **appointment to the trainee posts** and it was agreed that PS would be the OAG nominated CPA supervisor as the only CPA on CMT as one prospective candidate had queried this.

e) SW, GH, PS and AC met separately on March to consider the paper "**professional training agreement for staff in the Professional audit Trainee posts**" as the decision could not wait for this CMT meeting due to recruitment pressures. CMT agreed the proposals for pay progression for trainees, study costs and study leave for CPA exams but felt that each ACCA exam should also attract one week of study leave plus the day of the exam itself. (**Action: SW to amend the paper to reflect CMT's decision**).

f) SW said that 8 people had so far applied for the **Finance & Administrative Manager post** (7 women, 1 man of which 6 were Caymanian) and from a superficial scan through the majority seems like suitable applicants. The job closes on 6<sup>th</sup> April and it was agreed that the recruitment panel would be GH, SW and AC and ideally candidates should be interviewed before 16<sup>th</sup> April when AC will be in Miami for the week or prior to her leaving for the UK in early May.

g) SW updated that the lease had just been signed by the Governor for the additional office space on our side of the 3<sup>rd</sup> floor to be used as the **new OAG / Ombudsman board room** and CMT looked at the room plan. SW hoped that the re-fit costs could all be covered by the budget for the Ombudsman moves but had agreed with Sandy that if not, OAG and Ombudsman would fund a new interactive white board (estimated cost \$5k) for the room on a 50:50 basis.

h) **CMT reviewed the OAG risk register** for the first time since it was agreed by CMT on 3 January 2018. There was a good discussion on data and IT related risks with the agreement that the risk register would be updated to add a new operational risk around reliability of IT & risk of data loss (as a consequence of recent caseware problems and the data loss suffered by one APL). CMT discussed what may improve caseware performance functionality which potentially

included staff on windows 7 moving to windows 10 as it was felt that the old version could potentially have virus checks affecting performance. It was agreed that this should happen asap (**Action: GH / JA**).CMT also felt it important that the **IT Strategy and Policy** should be completed asap after audit peak starting with some of the obvious IT policy matters (e.g. use of jump drives) which could be brought in quickly and then the policy could be developed further after the strategy had been completed (**Action: GH/ JA**).

4. Any Other Business

- a) **Summer cover for AMs** was discussed given there would effectively be 8 weeks without either AM filling the FA AM role (as WS would be largely undertaking a performance audit while JA was away for 6 weeks and then going on leave himself). It was agreed that two APLs be asked to cover 4 weeks each and SW would write to them (**Action: SW**)
- b) **TRS / Leave tracker**. It was agreed that from 1<sup>st</sup> April, OAG would start using the "type" functionality on TRS by using "overtime @1.5" or "comp time" as appropriate for hours worked in excess of 7.5hours a day. This would help manage time better. GH/PS & KL, between them to write and inform the office and do a procedure for staff to follow (**Action: GH/PS/KL**).
- c) KL notified CMT of her **absence next week** from Tuesday and that WM would also be off on Tuesday and Wednesday.

  
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Sue Winspear, CPFA  
Auditor General

  
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Date