

**MINUTES
COUNCIL AUDIT COMMITTEE
MEETING OF FEBRUARY 18, 2026**

Council Chamber, City Hall

1. CALL TO ORDER/ROLL CALL - 1:31 PM

Roll Call

Present:

Michele Padilla

Jason Lee

Michael Blower

Note: Due to technical issues, the meeting recessed at 1:39 PM and reconvened at 1:54 PM.

2. PUBLIC COMMENT

None

Committee Correspondence - Public Comments

3. ITEM(S) FOR DISCUSSION

3.7 26-0184 UPDATE ON COUNCIL DIRECTED REFERRALS

Legislation Text

The following person(s) spoke to the item: Julie Dunning

Note: The committee gave direction to staff to send referrals to Council with documents; notify council if there is a response from the Attorney General, District Attorney's Political Corruption Unit, and the Grand Jury offices; follow up to see if any additional information is received

3.1 26-0176 UPDATE REGARDING OPTIC/BUDGET INVESTIGATION

Legislation Text

Note: The committee directed staff to bring item back to the next Audit Committee meeting.

3.2 26-0178 UPDATE ON FISCAL YEAR 2025-26 BUDGET BOOK

Informational item only. No action taken.

Legislation Text

3.3 26-0179 STATUS UPDATE ON THE INTERNAL AUDITING SERVICES REQUEST FOR PROPOSALS

Informational item only. No action taken.

Legislation Text

Attachment A - Internal Auditing Services RFP

Committee Correspondence - Public Comment

3.4 26-0180 PAYROLL PENALTIES

Informational item only. No action taken.

Legislation Text

PowerPoint Presentation

Note: The meeting went into recess at 2:43 PM and reconvened at 2:49 PM

The following person(s) spoke to the item: Julie Dunning

3.5 26-0181 PAYROLL VENDORS

Informational item only. No action taken.

Legislation Text

Attachment A - RGS Memo and Agreement

Attachment B - Robert Half Contract

Attachment C - Robert Half 7.15.2025 City Council Staff Report

Attachment D - Robert Half Amendment 1

Attachment E - Robert Half 12.9.2025 City Council Staff Report

Attachment F - Robert Half Amendment 3

Attachment G - Robert Half AP Memo to DCM

Attachment H - RH Amendment 2 - Signed Agreement

PowerPoint Presentation

The following person(s) spoke to the item: Paula Gallon; Julie Dunning

3.6 26-0182 PAYROLL AUDIT REPORTS

Informational item only. No action taken.

Legislation Text

Attachment A - Staff Report Moss Adams Internal Audit Motion 2021-07-27-1502 FY21-22

Attachment B - Moss Adams Agreement FY 21-22

Attachment C - Audit Committee Moss Adams Internal Audit Plan FY21-22

Attachment D - Moss Adams Payroll Audit Report May 2025

Attachment E - Baker Tilly Contract

Attachment F - Baker Tilly Memo

Attachment G - Baker Tilly Payroll Recommendations AdminStat Log 24-25

Attachment H - HR and Payroll Separation of Duties

Attachment I - Baker Tilly Payroll Assessment and Process Improvements

4. FUTURE ITEMS/COMMITTEE MEMBER COMMENTS

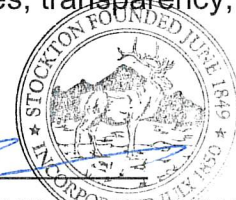
Vice Chair Padilla - use of funds; department authority

Member Blower - \$300,000 for BHCIP update

Chair Lee - accountability, trusting government, processes, transparency; thanked staff

5. ADJOURNMENT - 3:25 PM

For



KATHERINE ROLAND, CMC, CPMC
STOCKTON CITY CLERK