

**BLUEMONT CIVIC ASSOCIATION**  
**Final Minutes**  
**Executive Board Meeting**  
**October 23, 2013**  
**Arlington Traditional School**

Attending: George Rovder, President; Mark Haynes, First Vice-President; Larry Smith, Second Vice-President; Laura Kirkconnell Secretary; David Hughes, Suzanne Sundburg and Terry Serie, Civic Federation Delegates; Dean Foster, Civic Federation Alternate; Chris Healey, Neighborhood Conservation Advisory Committee (NCAC) Representative, Sidewalk Safety Task Force co-chair; John Lau, Webmaster;

Rovder called the meeting to order at 7:00 pm.

**(1) Penrose Group about its redevelopment proposal along N. Glebe Road within the Bluemont Civic Association's (BCA's) boundaries**

Managing Director of Acquisitions Tim Riordan and other officials from The Penrose Group, "Penrose," discussed their proposed development project along the west side of N. Glebe Road. The alleyway to the south abuts the Townes of Ballston, and N. Carlin Springs Road is the southern boundary, and 7th Street North is the northern boundary. Penrose is considering two scenarios: one with the property of the Exxon station, and one without. Penrose and the Exxon property owner are still in negotiations. With the Exxon property, Penrose is proposing to construct a 6-story, mixed-use building with 1 story of ground-floor retail (8K–10K sq ft) and 5 stories of housing above. Without the Exxon property, the building would comprise two of the three parcels on that block (including the Macy's parking lot) and would be a 6-story, mixed-use building..

Penrose representatives said they wanted to get BCA input early in the process and learn what BCA would like to see at the site (e.g., they noted the possibility of matching the sidewalks to those of the Crimson Goodyear site that is being developed south of Carlin Springs Road. Penrose representatives said plans include retail along Glebe, and they would like to discuss the thoughts of BCA members on such retail Penrose would like to discuss how to green up the façade to mitigate the effect on the townhomes

The above plans include bonus density Penrose plans to seek in exchange for Leadership in Energy and Environmental Design (LEED) certification and some affordable housing. Penrose does not plan to ask for any more height or density beyond those limits. There are to be 1 to 2 floors of below-grade parking. Ten percent of the site will be devoted to open space.

Rovder expressed appreciation for Penrose's coming to BCA early and asked about the timeline for the project. The Penrose representatives said they had not yet filed a site plan with the County, and the process in Arlington can take two years. Riordan said Penrose would try to incorporate comments from BCA and that Penrose was trying to be respectful on height. Penrose knew that a larger, 9-story building proposed for the site several years ago had not been supported by the community and ultimately was not built.

Rovder asked whether Penrose had talked with the representatives of residents around N. Tazewell Street and the Townes of Ballston Homeowners Association. Penrose had talked to some residents and said they would talk with the nearby homeowners associations.

Rovder asked that an additional five minutes be allowed for questions. The Executive Board agreed.

A member of the board of the Townes of Ballston Homeowners Association said her questions/concerns included the affect on traffic and parking because this tiny area has seen a lot of development; so traffic flow and speeding is a problem. Other concerns were the setback between the proposed development and the townhomes behind it, the effect on lighting and privacy (the townhomes have skylights in their bathrooms in a location that would be directly affected by a tall building), and the location of the parking entrance, trash and utilities.

Riordan replied that these were all good questions that Penrose would try to address. The alley is an alley, not a continuation of the new street running behind the building on the Crimson Goodyear site. He did not know how many feet the setback

would be, but he said Penrose could discuss what it has done in the past. He noted that the first floor of the proposed development would be 18 to 20 feet high, so people will not be looking into someone's window.

In response to a question about safety in the alleyway, the Penrose representative responded that the development would be elevated and not add to traffic in the alley, and Penrose would work with townhome residents on appropriate alley lighting.

Another neighbor raised concerns about window spacing and the lack of space between the proposed building and the townhomes. The questioner asked whether the County would let Penrose go further toward Glebe Road as they have with other buildings.

In response to another question, the Penrose representative said Penrose did not know if it wanted more or less underground parking than provided in the County parking ratio. He was interested in the view of BCA members.

After the Penrose representatives departed, the Executive Board discussed next steps. Rovder noted that he does not decide, but asked whether it should be put before the General Membership meeting to decide whether the membership wanted to form a group to work with Penrose. Executive Board members agreed that BCA should send Penrose a list of questions, and ask a smaller group to work closely with residents in the N. Tazewell Street area to do that.

**(2) Approval of Minutes:** The Executive Board unanimously approved the minutes for the September 26, 2013, Executive Board meeting as drafted.

### **(3) Brief Summary Reports of Officers and Committee Chairs**

**President:** Noted that the final report of the Safeway Task Force would be presented to the October 23 General Membership meeting. He noted the need to send meeting notices via e-mail in advance of meetings. The Board agreed that one week before the meeting the Secretary would ask the Webmaster to send out an e-mail notice, and one or two days before the meeting, the Secretary would ask the Webmaster to send a meeting notice with the agenda for the meeting.

Rovder discussed follow-up to the Penrose discussion, forming a group, developing the list of questions, and determining when Penrose should come back and address the General Membership. It was moved that the President ask Terry Serie to gather questions for Penrose, help to form a group to work with Penrose and neighboring residents, and report back to the Executive Board via e-mail on what Penrose says. The motion was unanimously approved.

**Civic Federation:** Suzanne Sundburg noted that she had electronically sent Board Members a report on highlights from the October 1 Civic Federation meeting, which included a vote to approve a resolution that the County establish an internal audit function. The County's Urban Agricultural Task Force proposal to allow hens to be kept by more residents will be taken up by the County in the next couple of weeks. She said she had a recap of the October Civic Federation meeting and a copy of her report related to the internal audit function motion for anyone interested and would attach the recap and report to the minutes for the October 23 Executive Board meeting. (See Attachments 1 and 2.)

Turning to the newsletter, she noted the deadline of November 1, one week early based on the earlier November meeting date.

She noted the importance of getting word out about the venue change for the November 20 general membership and Executive Board meetings. The meetings will be held in The Jordan's community room (located at the corner of N. Wakefield Street and Wilson Boulevard). The Board directed that the Secretary list the address of The Jordan building in the advance e-mail announcement for that meeting. Rovder said he would follow up with John Welsh of AHC about how members would get access to The Jordan.

**NCAC Representative:** Said the report would be made at the General Membership meeting.

The meeting was adjourned at 7:27 pm

## Attachment 1: Oct. 1 Civic Federation Meeting Recap

### 10/1/13 Civic Federation Meeting Recap

In attendance were Delegates David Hughes and Suzanne Sundburg and Alternate Dean Foster. The October meeting featured three presentations: curbside recycling, the internal audit resolution, and urban agriculture/relaxation of the zoning ordinance for hen-keeping.

#### Curbside Recycling

County staff member Eric Grabowsky presented information about the county's recycling program. The county will soon renegotiate its contract with the waste-to-energy (incinerator) plant in Alexandria. Approximately 35% of disposed trash is yard waste; 23% is food waste; and another 22% represents items that could have been recycled but weren't. The county is leaning toward adding a third toter to collect yard waste, initially, and then to add food waste. (There are more logistical problems with the collection of food waste.) The county has completed payments on the existing recycling toters, so adding a new cart would be revenue neutral. However, separate trucks for pickup would be necessary for the yard/food waste collection. Although the numbers have not been run, it looks as though there would be a net increase in the fee for waste/recycling collection, even if there is a reduction in costs associated with the incinerator contract. For those who would like to see the PowerPoint presentation, visit <http://www.civfed.org/2013/10/06/576/>. Questions and concerns may be directed to Mr. Grabowsky at [egrabowsky@arlingtonva.us](mailto:egrabowsky@arlingtonva.us).

#### Internal Audit Resolution

The Revenues & Expenditures (R&E) Committee submitted a revised resolution for delegates' consideration and a report (see attachment). After a spirited question-and-answer period, a vote was taken: 40 in favor of the resolution, 2 against, and 1 abstention. For details, please see the *Sun Gazette* article, "County Formally Pressed to Hire Internal-Audit Staff, Give Them Independence," at [http://www.sungazette.net/arlington/news/county-formally-pressed-to-hire-internal-audit-staff-give-them/article\\_1d2a3f06-2b72-11e3-8036-001a4bcf887a.html](http://www.sungazette.net/arlington/news/county-formally-pressed-to-hire-internal-audit-staff-give-them/article_1d2a3f06-2b72-11e3-8036-001a4bcf887a.html) (also copied below).

#### Urban Agriculture/Hen-Keeping

John Vihstadt, Chair of the county's Urban Agriculture Task Force, provided a presentation on the task force's report. A copy of the report, "Recommendations for a Food Action Plan," can be found at <http://www.arlingtonva.us/portals/topics/documents/UATFRecommendations.pdf>. His PowerPoint presentation can be viewed at <http://www.arlingtonva.us/portals/topics/documents/file89770.pdf>. Ed Fendley of the Arlington Egg Project (<http://www.arlingtoneggproject.org/>) was on hand, as was Jim Pebley of Backyards Not Barnyards (<http://www.backyardsnotbarnyards.org/>). Although a relaxation of the zoning ordinance to allow more Arlingtonians to keep chickens was just one facet of the report, it is the most controversial aspect. The task force presented a majority position that proposes to reduce the required setback for a chicken enclosure from 100 feet to 20 feet. There were a couple of minority reports/recommendations. On the whole, the recommendations were largely all or nothing, with little in between. No budget for this initiative was identified, and it is unclear whether the proposed one-time licensing fee would sufficiently cover the costs of monitoring and enforcement. Recently, in response to a report of illegal hen-keeping, Code Enforcement could not respond within a reasonable time-frame. The matter was left to the Animal Welfare League of Arlington, which does not have on-site facilities to care for chickens and other unwanted or illegal agricultural animals. The Planning & Zoning (P&Z) Committee had submitted a resolution on the matter in 2012, but its consideration was postponed until the task force issued a report. To determine delegates' and, if appropriate, their communities' position on this proposed zoning change, P&Z has developed an online survey tool for delegates/alternates (maximum of 4 for each organization) to weigh in. A link to the survey can be found at <http://www.civfed.org/2013/10/01/backyard-hen-survey/>. A recent *Sun Gazette* article, "Contentious Questions Will Remain Even If Urban Hens Win Approval," provides an overview of the issue and covers much of what was discussed at the 10/1 meeting: [http://www.sungazette.net/arlington/news/contentious-questions-will-remain-even-if-urban-hens-win-approval/article\\_3adcb214-2f4f-11e3-979f-0019bb2963f4.html](http://www.sungazette.net/arlington/news/contentious-questions-will-remain-even-if-urban-hens-win-approval/article_3adcb214-2f4f-11e3-979f-0019bb2963f4.html).

Respectfully submitted,  
Suzanne Smith Sundburg  
OWV alternate delegate to the Civic Federation

**HEEDING THE AUDITOR'S ADVICE: "Establish an Independent Internal Audit Function"**

*Key to our success as a community is that the people of the community have confidence in the government and are assured that their tax resources are being used effectively.*

—Arlington County Board Chair Jay Fiset in 2005<sup>(1)</sup>

On October 31, 2012, Arlington County's external auditor, CliftonLarsonAllen, noted the following in a letter accompanying its audit report on the county's fiscal year (FY) 2012 financial statements:

*At present, the County does not have an independent internal audit function. We believe that an organization with the County's size and complexity warrants consideration of an internal audit function.*<sup>(2)</sup>

Clifton's letter describes several "substantial benefits" that an independent internal audit function could provide:

- *Strengthening the County's internal controls over assets and increasing the reliability of the accounting records.*
- *Increasing assurance that County policies are being adhered to and that departmental procedures are being reviewed objectively.*
- *Ensuring that each department is accounting and reporting in a consistent manner and that they are operating in accordance with management's wishes.*
- *Making procedural reviews to determine that various departments are operating efficiently.*<sup>(3)</sup>

The auditor's letter mirrors concerns expressed in the Arlington County Civic Federation Revenues & Expenditure (R&E) Committee's FY2011 budget report,<sup>(4)</sup> which noted that two full-time-equivalent employee (FTE) internal auditor positions (one in purchasing and one in accounting) were cut from the Department of Management & Finance (DMF) budget in FY2011.<sup>(5)</sup> In reaction to this reduction in audit staffing, R&E recommended the appointment of an inspector general or a special auditor in its FY2012 and FY2013 reports.<sup>(6)</sup>

**The County's Response to the Auditor's Recommendation**

In its response to CliftonLarsonAllen the county stated, "The County recognizes the importance of an independent internal audit function and anticipates presenting a proposal to revitalize this function as part of the FY 2014 budget."<sup>(7)</sup> However, the county's only visible step toward establishing an independent internal audit function is confined to a single line in its FY2014 Adopted Budget:

*[O]ne-time funding for internal audit services (\$250,000)*<sup>(8)</sup>

The FY2014 Adopted Budget lists only one-time (carryover) money for the establishment of an independent internal audit function. It otherwise does not indicate how much permanent funding, if any, has been allocated to establish and operate an ongoing internal audit function. Moreover, there are no new FTE or part-time slots identified in DMF's FY2014 budget, and thus the cuts to the auditing staff in FY2011 appear to be permanent.

Faced with similar issues regarding the sufficiency of its internal audit function, in September 2013 the Arlington Public School Board took a step forward and adopted a formal internal audit policy:

*The Arlington School Board is committed to accountability throughout the division, ensuring that public funds are spent wisely and responsibly, that operations are efficient, and that there is full transparency in all Arlington Public Schools (APS) business activities. This commitment has led the School Board to implement an internal audit function.... To ensure that these responsibilities are effectively carried out, the School Board has formed an Audit Committee (the Committee) and has established the position of Internal Auditor (IA).... Internal auditing in APS shall be defined by the Institute of Internal Auditors, as an independent appraisal activity within an organization for the review of operations as a service to the administration or governing body.<sup>(9)</sup>*

### **Independent Oversight of Governmental Operations**

Authors of a 2012 research paper published in the Albany Law Review argue in favor of the inspector general (IG) model, noting, “the use of an auditor alone may be insufficient to fully guard the public’s interest, as this authority is typically limited to financial and performance audits. In contrast, an office of inspector general combines the duty of an auditor to conduct financial and performance audits with the authority to further investigate fraud, waste, and misuse of government assets.”<sup>(10)</sup>

In considering ways to bolster Arlington’s existing internal auditing efforts, R&E has looked to nearby Fairfax (VA) and Montgomery (MD) counties’ independent internal audit models. Fairfax’s Office of Financial and Program Auditor (OFPA) and Montgomery’s Office of the Inspector General (OIG) are internal audit bodies that report their findings to the Audit Committee of the Fairfax County Board of Supervisors and the Montgomery County Council, respectively. They work in tandem with and do not replicate the work of their fellow internal audit bodies: the Office of Internal Audit (Fairfax) and the Internal Audit Program (Montgomery), which report to their respective county executives (analogous to our County Manager).

Though Fairfax and Montgomery counties have adopted slightly different mechanisms, each has committed significant ongoing resources and professional full-time personnel to support their independent internal audit functions. And each county’s efforts have produced a measureable return on investment, resulting in savings and greater efficiency for those counties and their taxpayers.<sup>(11)</sup>

The “independent” requirement applies equally to internal and external audit operations, which is why the Institute for Internal Auditors (IIA) requires certain “essential ingredients necessary to support an effective audit function,”<sup>(12)</sup> irrespective of whether those functions are conducted by internal or external means. These “essential ingredients” include organizational independence in which the auditing body (either internal or external) is given sufficient resources, has control over its own budget, is permitted to hire qualified staff, has the authority to determine what should be evaluated or reviewed, and enjoys unfettered access to all relevant information and personnel.

### **Inspector General Model Gains Momentum**

In a July 2013 Governing.com article—“States and Localities Realize the Importance of Inspectors General”—Katherine Barrett and Richard Greene (national experts in government management and policy) note the growing trend among state and local governments to establish an office of inspector general.<sup>(13)</sup>

Offices of inspectors general are now operating in or near many urban centers across the nation, including Albuquerque, NM; Chicago, IL; Cook County, IL; Jacksonville, FL; Miami-Dade County, FL; Montgomery County, MD; New Orleans, LA; Palm Beach County, FL; and Yonkers, NY.<sup>(14)</sup>

In a post to the State Council of Governments' website, Philip Zisman, Executive Director at the Association of Inspectors General, explains the growing acceptance of the IG model:

*Inspectors general at all levels of government operate under similar mandates. They provide independent oversight of governmental operations and monitor government for accountability and transparency by conducting investigations and audits in an effort to promote economy, efficiency and effectiveness and to detect and prevent fraud, waste, abuse and corruption.*<sup>(15)</sup>

In conclusion, OIGs and similar independent internal audit bodies that are created to evaluate program efficiency and effectiveness can provide meaningful oversight to inform the budget process, identify savings and efficiencies to ensure the best allocation of limited resources, and give citizens confidence that their government is utilizing tax dollars wisely.

Respectfully submitted:  
Suzanne Smith Sundburg  
Member of the ACCF Revenues & Expenditures Committee

**Endnotes:**

- (1) Arlington County 9/20/05 news release: [http://www.arlingtonva.us/NewsReleases/Scripts/viewdetail\\_print.asp?Index=1868](http://www.arlingtonva.us/NewsReleases/Scripts/viewdetail_print.asp?Index=1868)
- (2) CliftonLarsonAllen 10/31/12 letter to management, p. 1
- (3) CliftonLarsonAllen 10/31/12 letter to management, p. 1
- (4) (7) ACCF R&E Committee Report on the County Manager's Proposed FY11 Budget, presented April 6, 2010, p. 5, <http://www.civfed.com/budgFY11reptcomb.pdf>
- (5) Arlington Co. FY2011 Adopted Budget, p. 46, <http://www.arlingtonva.us/departments/ManagementAndFinance/budget/file78929.pdf>
- (6) ACCF R&E Committee Report on the County Manager's Proposed FY12 Budget, presented 4/5/11, pp. 11–13, <http://www.civfed.org/reandschools2011.pdf> and ACCF R&E Committee Report on the County Manager's Proposed FY13 Budget, presented 4/3/12, pp. 6–7, <http://www.civfed.org/reandschools2012.pdf>
- (7) CliftonLarsonAllen 10/31/12 letter to management, p. 2
- (8) Arlington Co. FY2014 Adopted Budget, p. 157, <http://www.arlingtonva.us/departments/ManagementAndFinance/budget/file89779.pdf>
- (9) Arlington Public Schools Policy, 10-4.01–Internal Audit, effective 9/12/13, p.1, [http://www.boarddocs.com/vsba/arlington/Board.nsf/files/9BEK9W50CEA3/\\$file/F-1%20School%20Board%20Policy%2010-04.01%20Internal%20Audit.pdf](http://www.boarddocs.com/vsba/arlington/Board.nsf/files/9BEK9W50CEA3/$file/F-1%20School%20Board%20Policy%2010-04.01%20Internal%20Audit.pdf)
- (10) Patricia Salkin & Zachary Kansler, *Albany Law Review*, Vol. 75, No. 1, 2012, Albany Law School Research Paper No. 41, 2011–2012, "Ensuring the Public Trust at the Municipal Level: Inspectors General Enter the Mix," pp. 95–96, [https://papers.ssm.com/sol3/papers.cfm?abstract\\_id=1974330###](https://papers.ssm.com/sol3/papers.cfm?abstract_id=1974330###)
- (11) FY 2014 Fairfax Co. Advertised Budget Plan (Vol. 1) – 95, Financial and Program Auditor narrative section, <http://www.fairfaxcounty.gov/dmb/fy2014/advertised/volume1/00137.pdf>; FY 2014 Fairfax Co. Advertised Budget Plan (Vol. 1) – 39 & 41, Office of the County Executive narrative section, see Office of Internal Audit figures at <http://www.fairfaxcounty.gov/dmb/fy2014/advertised/volume1/00102.pdf>; Montgomery Co. OIG, Annual Report of Activity for the Fiscal Year Ended June 30, 2012, p. 16, [http://www6.montgomerycountymd.gov/content/InspectorG/pdf/oig\\_annual\\_report\\_fy\\_2012.pdf](http://www6.montgomerycountymd.gov/content/InspectorG/pdf/oig_annual_report_fy_2012.pdf); and Montgomery County Office of the Inspector General, Fiscal Years 2012–2013 Work Plan & Fiscal Years 2012–2013 Projected Budget, August 2011, p. 5, <http://www6.montgomerycountymd.gov/content/InspectorG/pdf/IGWorkPlan.pdf>
- (12) IIA Global, *Supplemental Guidance: The Role of Auditing in Public Sector Governance*, February 2012, p. 3, & 6–8, [https://global.theiia.org/standards-guidance/Public%20Documents/Public\\_Sector\\_Governance1\\_1\\_.pdf](https://global.theiia.org/standards-guidance/Public%20Documents/Public_Sector_Governance1_1_.pdf)
- (13) Katherine Barrett and Richard Greene, *Governing.com* website, "States and Localities Realize the Importance of Inspectors General," July 2013, <http://www.governing.com/columns/smart-mgmt/col-states-localities-realize-importance-of-inspectors-general.html>
- (14) Salkin & Kansler, *Albany Law Review*, Vol. 75, No. 1, 2012, pp. 102–103
- (15) Philip Zisman, The State Council of Government's *Capitol Ideas* website, "The People's Watchdog—Inspectors General Foster Accountability, Transparency": [http://www.csg.org/pubs/capitolideas/2013\\_mar\\_apr/inspectorsgeneral.aspx](http://www.csg.org/pubs/capitolideas/2013_mar_apr/inspectorsgeneral.aspx)