



# AUDIT COMMITTEE MEETING MINUTES

Meeting Date: February 4, 2020

Time: 1:00 pm

## In Attendance

Amy Williams, David Jimenez, Jamie Haynes, Michael Furman, Stan Schmidt, Stacey Manning, Dolly Viderman

Ms. Muller convened the meeting. Introductions were made. Agenda and the following documents were shared:

- School Board Policy 701
  - Proposed Audit Committee Charter
  - Section 218.391 F.S. - Audit Committee

Ms. Muller shared that an update on the internal auditor will be shared. She also said that we will review the audit charter with the committee members

## Review of School Board Policy 701 and draft Audit Charter

Mr. Schmidt referenced Section 218.391 F.S.

*(d) The primary purpose of the auditor selection committee is to assist the governing body in selecting an auditor to conduct the annual financial audit required in s. 218.39; however, the committee may serve other audit oversight purposes as determined by the entity's governing body. The public may not be excluded from the proceedings under this section.*

The committee members had further discussions on the SB Policy 701 and the draft Audit Charter.

Of note are the following:

- S2(b) FS expands what is under S2(d) FS which is reflected in SB Policy 701.
- Per previous discussions, the committee had 4 community members and 1 board member.
- Duties and responsibilities of the charter goes back to the internal auditor contract.

- Internal Auditors proposals are to provide two audits before this fiscal year was over and then they would be doing 4 audits a year.
- Under the whistleblower section, it says " audits may be performed at the discretion of the Superintendent and/or Manager, Office of Professional Standards." The whistleblower audit is not public but is eventually presented to the board.
- The charter provides a mechanism to perform in confidentiality.
- An operational audit is done every three years in addition to the financial audit.
- Financial audit the other two years are done by a CPA firm selected.
- Internal accounts is mostly student funds at the school, for example band fund and class funds. That too can be done by the internal auditor versus having the CPA firm that does our financial audits.
- If there was an agreement by the committee that this committee should serve in both capacities of Audit Committee and Audit Selection Committee, the policy would have to be changed and re-advertised and reference 218.39 F.S. as well as in the organization section of the Audit Committee charter.

Further discussion pursued and the following was decided:

- **Combine the Audit Committee and the Audit Selection Committee** with the following suggested changes:
  - Deal with both the internal auditor and the financial auditor
  - Chairman does not get to pick the community member
  - Add a minimum number and a maximum number under the charter organization
  - Chair "can be" or "shall be" the board member
  - One Year term? - Corresponds to board member term.
  - Chairman selection be part of the organization meeting in November

## **Chairman and Vice-Chairman Nominations**

- Chair - Ms. Haynes - nominated by Mr. Schmidt and seconded by Amy Williams
- Vice chair - Mr. Schmidt - nominated by Mr. Jimenez, seconded by Ms. Williams

## Sunshine Law

Mr. Manning talked to about the Sunshine Law and the requirements regarding that for our committee.

- Audit Committee meetings are advertised and public and anyone is welcome to attend.
- Minutes are being kept.
- All discussion needs to stay within the committee. This extends to social media and statement to the media.
- For the ethics provision, please don't be accepting gifts from anybody that maybe trying to influence what you do in the committee.

Internal auditor being recommended will be at the February 11th board meeting.

## Meeting Location

Committee members preferred location is Olson for all future meetings.

## Committee Members Preferred Meeting Times/Days

- Ms. Williams shared that Tuesday and Thursday afternoons work best for her. On Monday, Wednesday and Fridays, usually beginning or end of the day.
- Mr. Schmidt prefers the afternoons. Mornings don't work well for his schedule.
- Mr. Jimenez – Every Monday morning – there is a 3-hour meeting.

## Next Meeting

April 15, 2020 at 3:00 pm

Virtual TEAMS meeting due to COVID.