



AUDIT COMMITTEE

Minutes for September 7, 2022 Meeting

Meeting Date	September 7, 2022
Meeting Time	2:00 PM – 5:00 PM
Meeting Location	Walter E. Miller School Support Center
Committee Chairman	Dr. Susan Agruso
Note Taker	Christian Moreno Hernandez
Attendance	<p>Committee Members: Dr. Susan Agruso, Interim Chair Ginger Mentzer Skip Wagner Jim Daniel</p> <p>Board Members: Mary Foreman</p> <p>Other Attendees: Tim Barger, Deputy Superintendent of Business Services Mark Smith, Carr, Riggs & Ingram Joe Ranaldi, Chief Operating Officer Christian Moreno Hernandez, Executive Secretary</p>
Opening	<p>a) Call to Order</p> <ul style="list-style-type: none"> Chair Agruso called the meeting to order at 2:00 PM. <p>b) Audio Recording</p> <ul style="list-style-type: none"> Chair Agruso announced that the meeting was being audio recorded. <p>c) Review and Accept Minutes from July 13, 2022 Notes: Chair Agruso noted a scrivener's error on the second page of the July 13, 2022 Minutes with one of the bullets listed as "Update on the Exceptional Tracker" and requested it be changed to "Update on the Exception Tracker".</p> <p>Motion: Motion to approve the July 13, 2022 Minutes was made by Ms. Mentzer and seconded by Chair Agruso.</p> <p>The motion was approved 4-0.</p> <p>Following the approval of the minutes, Chair Agruso and Committee Members welcomed Mr. Jim Daniel, new Committee Member.</p>
Public Comments	<p>Notes: Public Comment as follows:</p> <ol style="list-style-type: none"> <u>Michael Hartman</u>
Member Comments	<p>Notes: This item was discussed at the end of the meeting.</p>
CRI	<p>a) Construction Audit PAR Notes: Following Public Comment, Mr. Smith spoke regarding the Construction Operations Audit Post Audit Review (PAR). Mr. Smith stated that there were three audit observations and three best practices. Mr. Smith noted that overall, five out of the six were closed and one was pending based on the time frame of the observation. Mr. Smith proceeded and provided more detailed information regarding the observations and best practices.</p> <p>Following questions from Chair Agruso regarding the projects and closeout audits, Mr. Joe Ranaldi, Chief Operating Officer, provided information.</p> <p>The Audit Committee held discussion and asked questions regarding the Construction Audit PAR. Mr. Ranaldi expressed appreciation towards CRI for their work with the implementation of the procedure manual.</p> <p>The Audit Committee held discussion and asked questions regarding whether the Construction Audit PAR needed to be presented to the Board.</p>

Motion: Motion to recommend that the School Board accept the Construction Audit PAR with one open item was made by Ms. Mentzer and seconded by Mr. Wagner.

The motion was approved 4-0.

b) Exception Tracker
Notes: Mr. Smith spoke regarding the Exception Tracker and provided information about the items for the different Audit Reports that have been partially closed, have PAR, and have not been closed.

The Audit Committee held discussion and asked questions.

Mr. Barger on noted that the Superintendent had interviewed two candidates for the Chief of Human Resources Position.

The Audit Committee held discussion and asked questions regarding the Chief of Human Resources and Personnel PAR.

Following the discussion, Ms. Mentzer asked if evaluations were being done for every employee and Chair Agruso asked if Human Resource (HR) was tracking who accesses the personnel files. Mr. Smith agreed to ask the two questions to Human Resources and noted that he would report back to the Audit Committee at the next Committee Meeting.

Mr. Smith mentioned that one of the best practices from the Position Control Function in Peoplesoft was to hire a backup for the Allocation Administrator. Mr. Barger on noted that the vacancy was filled.

Following a question from Mr. Daniel, the Audit Committee held discussion regarding upcoming PARs. Mr. Smith noted that he would notify the Audit Committee at the next Committee Meeting if any additional PARs would need to be done.

c) Updates: Procurement, Sales Surtax
d) AC Liaisons for CRI Audit
Notes: Mr. Smith provided an update on Procurement and Sales Surtax reports and noted that CRI is planning to present both reports at the November Audit Committee Meeting.

Following the brief update provided by Mr. Smith, Chair Agruso asked the Committee Members if anyone was interested in working with CRI on Procurement or Sales Surtax. Mr. Wagner agreed to be the Liaison for Procurement.

The Audit Committee held discussion and asked questions regarding Sales Surtax and Audit Committee Liaisons. Mr. Daniel agreed to be the Liaison for the Sales Surtax.

Mr. Smith spoke regarding the Internal Accounts and noted that in total there were 21 schools with a principal and/or bookkeeper change.

The Committee held discussion and asked questions regarding Internal Accounts.

Following a question from Mr. Daniel, regarding controls, Mr. Barger on noted that bookkeepers and Principals have procedure manuals that must be followed, and frequent training is provided. Mr. Barger on noted that there is a Corrective Action template for audit findings.

Mr. Smith stated that he would work with Mr. Barger on to have the list of schools for the Internal Accounts Audit.

Chair Agruso noted that for the next Committee Meeting CRI would be looking at the Procurement, Sales Surtax, and Internal Accounts.

	<p>Board Member Foreman mentioned that Mr. Blitzko sent an email with his comments and that he would like to volunteer to be the Liaison for Budget Phase 2. Mr. Smith stated that Budget Phase 2 could be started in November.</p> <p>Chair Agruso listed the following items from CRI for the next Committee Meeting:</p> <ul style="list-style-type: none"> • Sales Surtax Audit Report • Procurement Audit Report • Plan for the Internal Accounts • Next Audit to be Done • Budget Phase 2 • Two MTC Contract Compliance Reports <p>The Audit Committee continued discussion.</p> <p>Board Member Foreman mentioned that Board Member Kennedy was the point of contact since he is the liaison of the Audit Committee and spoke regarding Peoplesoft. She noted that earlier in the year, the Audit Committee agreed not to do a separate audit for Peoplesoft and to integrate it into each department audit. Board Member Foreman expressed desire for Peoplesoft to be included. Ms. Mentzer agreed and noted that Peoplesoft should be in the scope of all audits.</p> <p>Following a question from Mr. Daniel regarding limitations, the Audit Committee held discussion and asked questions regarding the Sunshine Law. Chair Agruso stated that she would invite Mr. Stephen Dye, School Board Attorney, to the November 2, 2022 Audit Committee Meeting.</p>
<p>Audit Committee Update</p>	<p>a) Membership b) Charter c) Procedures d) Next Meeting – November 2, 2022</p> <p>Notes: Chair Agruso spoke regarding the Audit Committee Memberships. She noted that the Audit Committee currently has 5 Members</p> <p>Board Member Foreman shared that a former Audit Committee Member had expressed interest in joining the Audit Committee.</p> <p>The Audit Committee held discussion and asked questions regarding the requirements for a quorum.</p> <p>Chair Agruso spoke regarding the Audit Committee Charter, Procedures, and Functions. She stated that the Audit Committee meets the first Wednesday of every other month and noted November 2, 2022, as the date for the next Committee Meeting.</p> <p>The Audit Committee held discussion and asked questions regarding the agenda, meeting documents, reports to the School Board and the meeting schedule.</p> <p>Following the discussion, Ms. Mentzer requested changes to the meeting dates for January and July. Mr. Barger and Ms. Mentzer agreed to discuss the dates and have a proposed Meeting Dates Calendar for the next Committee Meeting.</p> <p>Chair Agruso noted that there were some revisions to the Audit Committee Charter that Board Member Foreman is proposing. Board Member Foreman provided an overview of the Audit Committee Charter revisions and explained the reasons for the revisions. She noted that she would propose the revisions at the next School Board Meeting.</p> <p>The Audit Committee held discussion and asked questions regarding the Charter revisions and Shade Meetings.</p>

	<p>Following a comment from Mr. Daniel, Board Member Foreman agreed to change "Cybersecurity Auditors" to "Cybersecurity Consultants" in her proposed revisions to the Charter. Board Member Foreman stated that she would revise the Charter and send the new revision to the Executive Secretary prior to the School Board Meeting.</p> <p>Chair Agruso noted that the Audit Committee had not seen the Sylint Report or the Safety and Security Report. The Audit Committee held a discussion regarding a liaison for technology and cybersecurity.</p> <p>Motion: Motion to recommend Board Member Foreman's proposed revisions to the Audit Committee Charter that were discussed regarding the oversight of cybersecurity function was made by Mr. Daniel and seconded by Mr. Wagner.</p> <p>The motion was approved 4-0.</p> <p>Chair Agruso noted that she would sign up for Public Comment for the upcoming School Board Meeting.</p> <p>Following a comment from Ms. Mentzer, Chair Agruso stated that in the next Committee Meeting there would be a discussion regarding Cherry Bekaert.</p> <p>Ms. Mentzer requested that the Internal and External Evaluations be shared with the new Committee Member. The Executive Secretary was asked to send the Internal and External Evaluations to the new Member.</p> <p>Ms. Mentzer revisited the discussion regarding the requirement for a quorum. The Audit Committee held discussion.</p> <p>Board Member Foreman stated that the School Board would have a Legislative Priorities discussion in the near future. Board Member Foreman noted that she would bring the concern regarding the Audit Committee quorum requirement to the Board's Legislative Priorities discussion.</p> <p>Motion: Motion to recommend the School Board to include in its Legislative Priorities a change in law to allow Board Committees to meet virtually without a quorum physically present at a meeting site was made by Ms. Mentzer and seconded by Mr. Wagner.</p> <p>The motion was approved 3-0. Mr. Daniel abstained from the vote.</p> <p>Mr. Wagner noted that in the previous meeting, the Audit Committee agreed to have a discussion regarding the Vice-Chair/Chair elections in the September Committee Meeting. Chair Agruso stated that she will remain as a Member of the Audit Committee and noted that the discussion would be moved to the November Committee Meeting.</p> <p>Chair Agruso listed the topics for the next Committee Meeting.</p> <ul style="list-style-type: none"> • Sales Surtax • Procurement • Update on Internal Account Audit • Discuss what CRI is doing next. • Discuss Meeting Dates • Discussion regarding Cherry Beaker • Vote on Vice-Chair/ Chair • Status of the Action Plans for Personnel • Internal Accounts Changes • Sunshine Training
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	Board Member Foreman read Mr. Blitzko's comments to the Audit Committee. The Audit Committee held discussion and asked questions.
Adjournment	Chair Agruso adjourned the Meeting at 5:11 PM.

Chairman, Audit Committee

Note Taker