



AUDIT COMMITTEE

Minutes for March 1, 2023 Meeting

Meeting Date	March 1, 2023
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:</p> <p>Dr. Susan Agruso, Chair</p> <p>Ginger Mentzer</p> <p>Skip Wagner (TEAMS)</p> <p>Jim Daniel</p> <p>Joe Blitzko, Vice-Chair</p> <p>Board Members:</p> <p>Mary Foreman</p> <p>Other Attendees:</p> <p>Rachel Sellers, Deputy Superintendent of Business Services</p> <p>Mark Smith, Carr, Riggs & Ingram</p> <p>Lorri Kidder, Carr, Riggs & Ingram</p> <p>Cathy Miley, Director of Finance (TEAMS)</p> <p>Ruth Gruett, Director of Purchasing</p> <p>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 2:01 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 January 11, 2023</p> <p>Motion: Motion to approve the January 11, 2023 Minutes was made by Mr. Blitzko and seconded by Mr. Daniel.</p> <p>The motion was approved 4-0. Ms. Mentzer was not present for the vote.</p>
Public Comments	Notes: There were no requests for public comment.
Member Comments	Notes: Following a question from Chair Agruso regarding House Bill (HB) 1, Ms. Rachel Sellers, Deputy Superintendent of Business Services, stated that she would send a short summary regarding the new Legislature to the Committee prior to the next Committee Meeting.
Cherry Bekaert	<p>a) Engagement Letter</p> <p>Notes: Chair Agruso spoke regarding the Engagement Letter.</p> <p>Mr. Blitzko expressed a concern with the Engagement Letter.</p> <p><i>Ms. Mentzer joined the meeting at 2:07 pm.</i></p>

	<p>The Audit Committee held discussion and asked questions regarding the Engagement Letter.</p> <p>Motion: Motion to accept the Cherry Bekaert Engagement Letter with regards to the Audit of School District Accounts and require a separate Engagement Letter for the Audit of the School Internal Accounts was made by Mr. Blitzko and seconded by Ms. Mentzer.</p> <p>The Audit Committee held discussion regarding the motion.</p> <p>The motion failed 1-4. Chair Agruso, Mr. Daniel and Mr. Wagner did not approve the motion. Ms. Mentzer abstained from the vote.</p> <p>Motion: Motion to accept the Cherry Bekaert Engagement Letter was made by Mr. Daniel and seconded by Mr. Wagner.</p> <p>The motion was approved 4-1. Mr. Blitzko did not approve the motion.</p> <p>The Audit Committee held discussion and asked questions regarding the Engagement Letter and the Certificate of Excellence with comments from the Government Finance Officers Association (GFOA).</p> <p>Ms. Cathy Miley, Director of Finance, stated that she would send last year's Certificate of Excellence comments to the Executive Secretary so he could share them with the Audit Committee.</p> <p>Following a request by Chair Agruso, Ms. Miley noted that this year's Certificate of Excellence comments would be sent to the Audit Committee once the Finance Department receives them.</p>
CRI	<p>a) Procurement Report</p> <p>Notes: Mr. Mark Smith, of Carr, Riggs & Ingram (CRI), provided an overview of the Procurement Report and spoke regarding the following related functions:</p> <ul style="list-style-type: none"> • Purchasing Transactions <ul style="list-style-type: none"> ○ Bidding Process - compliance with District procurement policies and procedures, FDOE Rule 6A-1.012, Florida Statutes, etc. ○ Compliance with Purchasing Department internal policies and procedures ○ Purchase orders- requisition, review and approval process • Construction Procurement • Vendor Analysis • Separation of Duties and System Access • Purchasing process as it relates to Peoplesoft <p>The Audit Committee held discussion and asked questions regarding the Procurement Report.</p> <p>Following a question from Mr. Blitzko, Ms. Lorri Kidder, of Carr, Riggs & Ingram (CRI), clarified the process of getting a verbal quote or written quote per the District's policies and procedures.</p> <p>Ms. Kidder suggested clarifying that the Purchase Grouping was under \$20,000. She noted that lack of three verbal and written quotes were considered moderate by CRI.</p> <p>Ms. Ruth Gruett, Director of Purchasing, spoke regarding the informal/formal verbal quotes and informal/formal written quotes.</p> <p>The Audit Committee held discussion and asked questions regarding verbal and written quotes.</p>

	<p>Mr. Smith spoke regarding the Vendor Database.</p> <p>Following a question from Mr. Wagner, Ms. Gruett clarified the process of reimbursement to an employee.</p> <p>Following a question from Mr. Blitzko, Ms. Gruett spoke regarding the PeopleSoft purchasing process.</p> <p>Mr. Blitzko noted that the Purchasing Report was well-written and made a motion.</p> <p>Motion: Motion to accept the Purchasing Report with the requested clarification and changes was made by Mr. Blitzko and seconded by Mr. Daniel.</p> <p>The Audit Committee held discussion regarding the requested changes. The motion was approved 5-0.</p> <p>b) Risk Assessment Update</p> <p>Notes: Chair Agruso moved forward on the agenda to the discussion about maintaining the Hotline.</p> <p>Ms. Kidder spoke regarding the Risk Assessment and mentioned that an update was done to the Risk Assessment from 2020.</p> <p>Ms. Kidder noted the following suggested audit areas:</p> <ul style="list-style-type: none"> • Sales Surtax • Comprehensive Internal Audit Risk Assessment • Facilities and Maintenance • PCard • Vendor Management • MTC – Campus Solutions Module • Special Projects • Carry Over 22/23 Audits • Post Audit Reviews • Periodic AG Follow Up <p>The Audit Committee held discussion and asked questions regarding the Risk Assessment update.</p> <p>Following a question from Mr. Blitzko, Ms. Kidder clarified the difference between the Purchasing Report and the Vendor Management Report.</p> <p>Following a question from Chair Agruso, Ms. Kidder confirmed that the Vendor Management Report would be its own separate Audit.</p> <p>Ms. Kidder noted that the MTC – Point of Sale (POS) and MTC – Financial Aid Audits were currently in process.</p> <p>Following a question from Mr. Wagner, Mr. Smith provided an explanation regarding the Facilities and Maintenance Audit.</p> <p>The Audit Committee held discussion and asked questions regarding the suggested Audit areas for the upcoming year.</p> <p>Following the discussion, Ms. Cathy Miley, Director of Finance, provided an explanation regarding the MTC – Campus Solutions Module Audit.</p>
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	<p>Following a question from Board Member Foreman regarding ESSER Funds, Ms. Sellers clarified the requirements for audits and reviews of the ESSER Funds.</p> <p>Chair Agruso spoke regarding the suggested audit areas and mentioned that Facilities and Maintenance and PCard would be included in the Risk Assessment. She noted that the MTC – Campus Solutions Module would be a placeholder for now.</p> <p>Chair Agruso announced a recess at 4:21 PM and reconvened at 4:26 PM.</p> <p>The Audit Committee held discussion and asked questions regarding the budgeted hours and rate for the suggested audits areas.</p> <p>Ms. Kidder noted that the Engagement Letter would be on the next Audit Committee Agenda.</p> <p>c) MTC Point of Sale Update Notes: This topic was not discussed during the meeting.</p> <p>d) Discussion of Budget Phase II Audit Notes: Ms. Kidder spoke regarding the Budget Phase II Audit.</p> <p>Mr. Smith provided an overview of the Budget Phase II Audit and explained the difference between the budget and actuals</p> <p>The Audit Committee held discussion and asked questions regarding the Budget Phase II Audit.</p> <p>Following a question from Chair Agruso, Ms. Gina Maliniak, Director of Budget, explained the Family Empowerment and McKay Scholarships.</p> <p>Following a question from Mr. Blitzko, Ms. Maliniak noted that the remaining restricted and assigned funds that the District has at the end of the year are reappropriated to carry them over.</p> <p>Chair Agruso noted that the Audit Committee would not be recommending the Budget Phase II Audit at this time.</p> <p>e) Exception Tracker Notes: This topic was not discussed during the meeting.</p> <p>f) Discussion about Maintaining the Hotline Notes: Ms. Kidder spoke regarding the Hotline and provided a brief description of the service provided by CRI. She noted that CRI would not be able to maintain the Hotline and provided two options for the District.</p> <p>The Audit Committee held discussion and asked questions regarding the Hotline.</p> <p>Following the discussion regarding the Hotline, Chair Agruso noted that Ms. Sellers would work to find a solution.</p> <p>Chair Agruso resumed the order of the agenda and returned to the Risk Assessment Update.</p>
Audits of Charter Schools	Notes: Chair Agruso moved this topic to the next Audit Committee Meeting.
Discussion about Recent Changes to Audit Committee Charter	Notes: Chair Agruso moved this topic to the next Audit Committee Meeting.

Discussion about Board Staff Internal Auditor	<u>Notes:</u> Chair Agruso moved this topic to the next Audit Committee Meeting.
Next Meeting – May 3, 2023	<u>Notes:</u> Chair Agruso noted that the next Audit Committee Meeting would be May 3, 2023.
Adjournment	Chair Agruso adjourned the Meeting at 5:03 PM.