



Audit Committee Meeting Minutes

Meeting Date November 6, 2024

Meeting Time 2:00 PM – 5:00 PM

School District of Manatee County

Meeting Location: Walter E. Miller School Support Center

All times are approximate

Committee Chairman: James F. Daniel

Note Taker: T. Dahlquist

Attendance:

Assigned Committee Members:

James F. "Jim" Daniel, Chair

Ginger Mentzer, Vice-Chair via Teams

Bernard A. "Skip" Wagner; Member, via Teams

Excused: John Baliga, Member

Board Liaison: Mary Foreman, School Board Member

Other Attendees:

Mark Smith, of Carr, Riggs & Ingram

Lorri J. Kidder, of Carr, Riggs, & Ingram

Ruth Gruett, Director of Purchasing, SDMC, via Teams

Laura Cox, School Board Agency Administrative Associate, SDMC, via Teams

1. Opening:

- a. **Call to Order:** The Chair, Mr. Daniel, called the meeting to order at 2:00 p.m.
- b. **Audio Recording:** The Chair, Mr. Daniel, announced that the meeting is being audio recorded.
- c. **Review and approval of the prior meeting minutes of September 4, 2024:** The Chair, Mr. Daniel, asked if there were any corrections to the Minutes. No revisions were requested. The Vice-Chair, Ms. Mentzer, made a Motion to approve the September 4, 2024, Meeting Minutes. The Motion was seconded by Member, Mr. Wagner.

The Motion was approved 3-0 (unanimous)

2. Public Comments: None

3. Member Comments: None

4. **CRI Report – Mark Smith, CPA, and Lorri J. Kidder, CPA:** The Chair, Mr. Daniel, introduced Mark Smith, CPA, of CRI. Mr. Smith gave an update on the audits currently in process and audits that will be upcoming this fiscal year.

- a) **Sales Surtax Audit:** Mr. Smith gave an update on the 2024 Sales Surtax Audit dated October 24, 2024. There was discussion about several items in the audit. Mr. Smith answered questions and made clarifications for Audit Committee Members.

Member, Mr. Wagner, made a Motion to approve the 2024 Sales Surtax Audit, with the requested revisions. Vice-Chair, Ms. Mentzer, seconded the Motion.

The Motion was approved (3-0) (unanimous)

- b) **Human Resources:** We started looking at this audit regarding scope and direction. We will bring that to the January Audit Committee meeting to fine-tune the scope. The idea will be to focus on the following scope:
- 1) Compliance with policies and procedures by Principals and Department Heads/Supervisors within the District to identify that they are in compliance or need additional training.
 - 2) Discipline of staff to be sure all procedures are being followed correctly.
 - 3) Correct onboarding procedures including Employee Handbook and obtaining the correct forms for employment.
 - 4) Unemployment compensation processing.
 - 5) Human Resources Policy and Procedure Manual, if any, and if it needs to be updated.
 - 6) Teacher certificates and renewals.
 - 7) Determining what Human Resources items are required to go the Board for approval.
 - 8) Identify gaps in training for staff.
 - 9) Determine risks to the District.

We will discuss the scope more fully at the January 2025 Audit Committee meeting. We will update the Audit Committee on our progress at the March 2025 Audit Committee meeting and have the Final Audit Report at the May 2025 Audit Committee meeting.

- c) **Update on PARs:** Now that the Sales Surtax is over, I will get with the Purchasing Director to finish up the Purchasing Audit. I am close to finishing up the Benefits audit. At the January meeting, I will bring of list of changes of Principals and Bookkeepers this school year, with dates, at the schools. I will advise if they are having any issues or struggles, and we will go from there. In January I will bring a list of the remaining audits that need to be completed this year.
- d) **Other:** Facilities Audit will be after the Human Resources audit. We will discuss the scope of the Facilities Audit in January, have an update at the March meeting, and the final report at the May meeting.
- e) Mark Smith, CPA, and Lorri Kidder, CPA left the meeting at 3:06 p.m.

5. Old Business:

- a) **External and Internal Audit Selection Committee** Is there anything the Audit Committee needs to be doing now? Ruth Gruett said no. Ruth advised that the External Audit Finalists number 1 is Purvis and Gray. They will have their partner and manager at the next School Board meeting. Ruth Gruett advised that the Internal Audit Finalist number 1 is RSM. RSM will have their Director and Manager at the next School Board Meeting. Ruth Gruett advised that an Agenda Item for the January Audit Committee meeting should be added to meet with both of these firms to have a

preliminary discussion about the Letter of Engagement, providing that the Board approves these firms. After the December 12th School Board meeting you can contact them and let them know what you expect each of these firms to bring to the January meeting.

Note: Ruth Gruett left the meeting at 3:14 p.m.

6. New Business:

- a) **Annual Financial Report (AFR).** Was sent out to everyone on September 3, 2024.
- b) **Basis for New Risk Assessment.** We will be dealing with the new auditors for the New Risk Assessment once they are on board.

7. Next Meeting:

- **Date:** January 8, 2025, at 2:00 p.m.
- **Proposed Agenda Items for Next Meeting:**
 - **CRI – Mark Smith, CPA:**
 - Internal Audit Plan through June 30, 2025
 - Update on Sales Surtax (final report with modifications)
 - Human Resources Audit
 - Facilities Audit
 - Update on the PARs
 - Effect of Equity Fund Buy-Out of CRI
 - MSA and Engagement Letter Updates
 - **New External Audit – Purvis Gray Engagement Letter**
 - **Financial Statement Drafts and Reports:**
 - ACFR
 - Internal Accounts Financial Statements
 - SDMC Management Letters
 - Charter Schools
 - Need to update the Audit Committee Members' information on the website. Please send your update to Theresa Dahlquist at dahlquist@manateeschools.net.

8. Adjournment:

- Motion by Mr. Wagner
- Seconded by Ms. Mentzer
- Vote: **The Motion was approved 3-0 (unanimous)**

Adjourned at 3:34 p.m.