



## AUDIT COMMITTEE

### Minutes for May 3, 2023 Meeting

<b>Meeting Date</b>	May 3, 2023	
<b>Meeting Time</b>	2:00 PM – 5:00 PM	
<b>Meeting Location</b>	Walter E. Miller School Support Center	
<b>Committee Chairman</b>	Dr. Susan Agruso	
<b>Note Taker</b>	Christian Moreno Hernandez	
<b>Attendance</b>	<p><b>Committee Members:</b>            Dr. Susan Agruso, Chair            Ginger Mentzer            Skip Wagner            Jim Daniel            Joe Blitzko, Vice-Chair</p> <p><b>Board Members:</b>            Mary Foreman</p>	<p><b>Other Attendees:</b>            Rachel Sellers, Deputy Superintendent of Business Services            Mark Smith, Carr, Riggs &amp; Ingram            Lorri Kidder, Carr, Riggs &amp; Ingram            Cathy Miley, Director of Finance (TEAMS)            Christian Moreno Hernandez, Executive Secretary</p>
<b>Opening</b>	<p><b>a) Call to Order</b></p> <ul style="list-style-type: none"> <li>Chair Agruso called the meeting to order at 2:00 PM.</li> </ul> <p><b>b) Audio Recording</b></p> <ul style="list-style-type: none"> <li>Chair Agruso announced that the meeting was being audio recorded.</li> </ul> <p><b>c) Review and Accept Minutes from March 1, 2023</b>  <b>Motion:</b> Motion to approve the March 1, 2023 Minutes was made by Mr. Daniel and seconded by Mr. Wagner.</p> <p>The Audit Committee held discussion and asked questions regarding the March 1, 2023 minutes.</p> <p>Ms. Mentzer requested to add the language “lack of”, after the word “that” and eliminating the word “all” on page 2 of the March 1, 2023 Minutes.</p> <p>Mr. Blitzko referenced the March 1, 2023 Minutes and spoke regarding the Certificate of Excellence Comments.</p> <p>The Audit Committee held discussion and asked questions.</p> <p>Chair Agruso requested for the Certificate of Excellence Comments for the Fiscal Year 2021 to be shared with the Audit Committee.</p> <p>Ms. Miley stated that she would send the Certificate of Excellence Comments to the Executive Secretary for it to be shared with the Audit Committee.</p> <p>Chair Agruso returned to the motion and voted.</p> <p>The motion was approved 5-0.</p>	
<b>Public Comments</b>	<b>Notes:</b> There were no requests for public comment.	
<b>Member Comments</b>	<b>Notes:</b> There were no requests for member comment.	
<b>CRI Evaluation</b>	<p><b>Notes:</b> Chair Agruso requested for the CRI Evaluation’s to be sent out to the Executive Secretary for record. The Audit Committee members agreed.</p> <p>Chair Agruso requested that each Committee Member shared their comments.</p>	

	<p>The Audit Committee held discussion and asked questions regarding the CRI Evaluation.</p> <p>Following the discussion, Chair Agruso stated that the Committee had reached a consensus in going for an RFQ next year.</p> <p>Following a concern regarding Board Members attending the Committee Meetings, Chair Agruso announced that in the agenda it states that one or more School Board Members may be present and participate in the Committee Meeting.</p> <p>Mr. Daniel requested having a senior partner from CRI invited to the Audit Committee Meeting to give a report on what the District needs, what the District needs to learn, what the District is missing and what the District needs to watch out for.</p> <p>Ms. Sellers noted that the Certificate of Excellence Comments were incorporated in the final 2022 Annual Comprehensive Financial Reports (ACFR).</p> <p>The Audit Committee went back to the discussion regarding the CRI Evaluation.</p> <p>Following a comment from Mr. Blitzko, Chair Agruso explained the additional hours in the Engagement Letter from CRI.</p> <p>The Audit Committee members continued reading their comments.</p> <p>Following the comments, Mr. Blitzko recommended for management and Board to complete the CRI Evaluation.</p> <p>Chair Agruso stated that she would add the recommendation of management and Board to complete the CRI Evaluation in her next Board Report.</p> <p>Board Member Foreman provided comments regarding CRI.</p> <p>The Audit Committee held discussion and asked questions regarding the overall performance scores.</p> <p>Following the discussion, Chair Agruso noted that the CRI falls in the Effective range.</p> <p><b>Motion:</b> Motion to move forward with the CRI Contract for next year was made by Mr. Daniel and seconded by Mr. Wagner with the provision of having a senior partner invited to an Audit Committee Meeting.</p> <p>The Committee held discussion regarding Mr. Daniel's motion.</p> <p>Ms. Mentzer suggested voting to determine whether the committee would move forward with CRI for the next year. Mr. Daniel accepted Ms. Mentzer's suggestion and amended his motion.</p> <p><b>Amended Motion:</b> Dr. Agruso restated the motion as follows: Motion to move forward with CRI for the next year was made by Mr. Daniel and seconded by Mr. Wagner.</p> <p>The motion was approved 5-0.</p>
<p><b>CRI</b></p>	<p><b>a) Engagement Letter</b></p> <p><b>Notes:</b> Chair Agruso mentioned to Ms. Lorri and Mr. Mark that the Committee reached consensus to move forward with the CRI contract for next year.</p> <p>Chair Agruso spoke regarding the CRI Evaluations and shared some of their comments with CRI.</p>

Chair Agruso requested for CRI to inform the Audit Committee members when other resources are used during any Audits such staff or partners.

Chair Agruso inform CRI that going forward the Audit Committee will involve management and Board in their Evaluation.

The Committee held discussion and asked questions regarding the ERP.

Mr. Daniel inform CRI that during the discussion earlier, the Committee agreed to invite a senior partner to one of the Committee Meetings to provide a presentation.

The Audit Committee held discussion and asked questions regarding the Engagement Letter and budgeted hours.

**Motion:** Motion to recommend to the Board the Engagement letter with the changes of the extra services and new paragraph for the Internal Accounts was made by Mr. Daniel and seconded by Mr. Blitzko.

The Audit Committee held discussion regarding the motion.

The motion was approved 5-0.

**b) Audit Report – MTC Point of Sale Update**  
**Notes:** Chair Agruso noted that Mr. Smith is providing an overview of the Point of Sale Audit.

Mr. Smith provided an overview and spoke regarding the MTC Point of Sale Update exceptions.

The Audit Committee held discussion and asked questions regarding the MTC Point of Sale Audit.

Following the discussion, Ms. Miley noted that the MTC's Internal Account is the only internal account that is still in Peoplesoft and explain internal account bank reconciliation.

The Committee held discussion and asked questions regarding the MTC Internal Account Bank Reconciliation.

Chair Agruso requested for CRI to go back and look at the MTC Internal Account reconciliation. Mr. Smith agreed.

Chair Agruso noted that the MTC Point of Sale Audit would be moved to the July 12, 2023 Audit Committee Meeting.

Ms. Kidder noted that CRI would be reporting of the MTC Point of Sale Audit, MTC Financial Aid Audit, and Contract Compliance on the July 12, 2023 Audit Committee Meeting.

**c) Update on MTC Financial Aid Audit**  
**Notes:** There was no discussion this topic.

**d) Update on Contract Compliance**  
**Notes:** Mr. Smith provided a quick overview and spoke regarding the Contract Compliance.

**e) Exception Tracker**  
**Notes:** Mr. Smith provided an overview and spoke regarding the Exception Tracker.

The Audit Committee held discussion and asked questions regarding the Exception Tracker.

Chair Agruso announced a recess at 3:48 PM and reconvened at 3:54 PM.

<b>Audits of Charter Schools</b>	<p><b>Notes:</b> The Audit Committee held discussion and asked questions regarding the Audits of Charter Schools.</p> <p>The committee reached consensus that the Audits Reports of Charter Schools are inconsistent.</p> <p>Following a question from Dr. Agruso, held discussion and asked questions regarding the Audited Standard for the Charter Schools. Ms. Mentzer suggested asking the Board if the Audits are satisfactory given the requirements for the Charter Schools.</p> <p>Ms. Sellers noted that the fund balances/ financial statements for the Charter Schools are submitted every month.</p> <p>The Audit Committee held discussion and asked questions regarding the Audits of Charter Schools.</p> <p>Chair Agruso noted that in July or August the Committee would review the financial reports for Charter Schools.</p>
<b>Discussion about Recent Changes to Audit Committee Charter</b>	<p><b>Notes:</b> Chair Agruso spoke regarding the recent changes to the Audit Committee Charter.</p> <p>The Audit Committee held discussion and asked questions regarding the Audit Committee Charter.</p> <p>Chair Agruso announced her resignation from the Audit Committee.</p> <p>Following a question from Mr. Blitzko, Executive Secretary stated that he would send the Audit Committee Members terms to the Committee for review.</p>
<b>Discussion about Board Staff Internal Auditor</b>	<p><b>Notes:</b> Chair Agruso spoke regarding the Board Staff Internal Auditor.</p> <p>The Audit Committee held discussion and asked questions regarding the Board Staff Internal Auditor.</p>
<b>Other New Business</b>	<p><b>Notes:</b> There was no discussion this topic.</p>
<b>Next Meeting – July 12, 2023</b>	<p><b>Notes:</b> Chair Agruso noted that the next Audit Committee Meeting would be July 12, 2023.</p>
<b>Adjournment</b>	<p>Chair Agruso adjourned the Meeting at 5:03 PM.</p>

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Chairman, Audit Committee