

**ESCAMBIA COUNTY SCHOOL BOARD
AUDIT COMMITTEE
MINUTES
JULY 2, 2013 - 12:00 PM**

I. CALL TO ORDER

Tod Wilson, Audit Committee Chair, called the meeting of the Audit Committee to order at 12:04 p.m. in the IT Conference Room, 75 N. Pace Blvd, 3rd Floor, Pensacola, FL 32505. Those present were Tod Wilson; Zack Hannah; Earl Lee; Dr. Chula King; Ms. Diane Martinez; David Bryant, Director, Office of Internal Auditing; Michele Kiker, Senior Auditor; Donna Water, School Board General Counsel. Ms. Kiker recorded the minutes.

II. ADOPTION OF AGENDA

Mr. Bryant amended the agenda to reflect the change of the meeting location from the 1st floor conference room to the 3rd floor conference room and the addition of item VIII – Recommendation to the Board regarding District Financial Matters. A motion was made by Dr. King and seconded by Ms. Martinez to adopt the amended agenda. Motion passed unanimously.

III. PUBLIC INPUT – There was no public input.

IV. APPROVAL OF MINUTES FROM MEETING OF APRIL 26, 2013

A motion was made by Mr. Lee and seconded by Dr. King to approve the minutes for the April 26, 2013 meeting. Motion passed unanimously.

V. ITEMS FROM INTERNAL AUDITING

A. Internal Accounts Audits

Mr. Bryant updated the Committee members of the planned internal accounts audits for the year.

B. Other Audits/Reviews

1. Maintenance Purchasing Process Review

Mr. Bryant discussed the review and its recommendations.

2. Ransom Middle School SLT Dance Analysis and Reconciliation

Mr. Bryant discussed the analysis and its recommendations.

A motion was made by Mr. Lee and seconded by Ms. Martinez to approve the reports presented. Motion passed unanimously.

C. Other Items

1. Items for Approval – No items submitted.

2. Items for Discussion

a. Food Service Procurement Review

Mr. Bryant discussed the review and its intricacies due to the related unresolved investigation.

b. Food Service Equipment Verification

Mr. Bryant indicated that this part of the Food Service Procurement Review was separated due to the need to verify all equipment purchased from a select vendor.

c. Auditor General Findings Follow-Ups

Mr. Bryant indicated that the Superintendent has asked that Internal Auditing follow-up on the recommendations made by the Auditor General during their last audit. Mr. Bryant indicated that these projects would be added to the annual work plan.

d. FEMA Update

Mr. Bryant updated the Committee on the status of the remaining open hurricane projects.

VI. ITEMS FROM COMMITTEE MEMBERS

A. Director Re-Classification (Chair) – Mr. Wilson indicated that the Board had adopted the change to the job description of the Director of Internal Auditing, which reclassified the title and pay grade to be consistent with other finance-related director positions.

VII. ANNOUNCEMENTS

A. Audit Administration Specialist Replacement

Mr. Bryant updated the Committee on the replacement of the position. He briefed the Committee on the selected candidate and indicated she was scheduled to start on July 8, 2013.

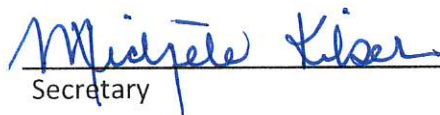
B. CRMA Professional Recognition – Mr. Bryant reported that all auditors in the office had received professional recognition and earned the CRMA designation.

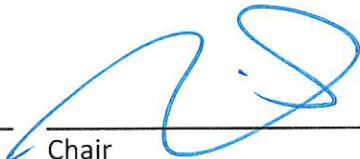
VIII. RECOMMENDATION TO BOARD REGARDING DISTRICT FINANCIAL MATTERS


Mr. Wilson discussed the General Counsel’s memo to the Board regarding District Financial Information. He indicated that he had discussed the memo with the Board Chair, who had requested formal recommendation(s) from the Committee. The Committee members expressed their concern with various matters related to District finances, including the fact that financial information was not provided to the Board. In addition, the Committee members expressed their disappointment in the lack of oversight from the Board. At Mr. Wilson’s direction, Mr. Bryant had previously drafted a memorandum from the Committee to the Board, which recommended an escalating set of options (attached). The Committee members discussed options. A motion was by Mr. Hannah and seconded by Dr. King to recommend the memorandum be finalized, signed by the Chair, and forwarded to the Board. Motion passed unanimously. Mr. Bryant agreed to finalize the memorandum and Mr. Wilson agreed to present the memorandum to the Board and be available for questions at the Board’s upcoming meeting regarding District financial matters.

IX. NEXT MEETING DATE – To be determined.

X. ADJOURNMENT – A motion to adjourn was made by Dr. King and seconded by Mr. Hannah. Motion passed unanimously. The meeting ended at 12:39 p.m.


Secretary


Chair


Date