

**The Escambia County School District**  
**Audit Committee Meeting**  
**Minutes, June 28, 2005**

- I. Fred Hurd, Chair, called the meeting of the Audit Committee to order at 5:33 p.m. in the Data Center break room of the Vernon McDaniel Building, 215 West Garden Street, Pensacola, Florida 32502. Committee members in attendance were: Virginia Yeagle, Aleta Hudson and Kathy Langley. Others in attendance were: Scott Woody, Director, Internal Auditing; Debbie Fussell, Senior Financial Analyst; Michele Kiker, Auditor; and Susan Reed, recording the minutes. Committee member, Earl Lee was not in attendance.
- II. The Committee adopted the agenda.
- III. There was no public input.
- IV. The minutes for the May 16, 2005 meeting were approved as submitted.
- V. Items from Internal Auditing
  - A. Mr. Woody presented ten (10) completed internal funds audits for fiscal year ending June 30, 2004 including Pine Forest High School, Pensacola High School and Escambia High School, which had been pulled at the last meeting.

Mr. Woody stated changes to the Pine Forest High School audit were discussed with the principal and bookkeeper and a new coversheet was signed. In addition, he reported the principal's corrective action to reduce the negative year book balance had not been successful so a different action had been taken. Mr. Woody also reported a considerable reduction in the negative balance had been achieved due to those actions and he had noted the reduction in the audit.

Mr. Woody stated the negative balance noted in the Pensacola High School Audit was no longer apparent during a recent review of the school's financials.

The Committee discussed the Escambia High School audit with Mr. Woody reporting he could only write the report as not having an opinion. He stated he planned to meet with the incoming principal to discuss the problems found during the audit. The Committee was pleased with the new format used to report audits with findings.

A motion was made by Kathy Langley and seconded by Aleta Hudson to accept the audits presented.

- B. Other issues
  1. Mr. Woody requested the Committee approve the changes noted on a copy of the department charter sent to them. In review of those changes, he stated Mr. Lee had suggested the addition of wording stating the department reports operationally to the Board as well as the change of reporting administratively to the Superintendent.

A motion was made by Kathy Langley and seconded by Virginia Yeagle to accept the changes to the Department Charter.

2. Mr. Woody reported a new co-op student had been hired and that he had decided to wait until Fall to hire the second student. He also stated the student who recently left

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had been hired by Lockheed Martin. In addition, he commented they normally hire applicants from their area but had been impressed by her co-op training.

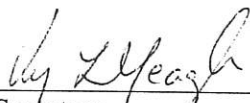
3. Mr. Woody reported June 30 would mark term endings for two committee members, Aleta Hudson and Kathy Langley. He expressed his gratitude for their service. Mr. Hurd also thanked the members and announced the IIA's new representative had not met the charter's requirements and a replacement would need to be found. The Committee discussed the Audit Committee Charter requirements for new committee members. It was suggested the Committee should reevaluate those requirements.

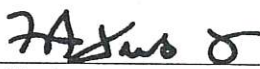
4. Mr. Woody stated the department would be working with Debbie Fussell, in charge of training and installation of the new Blue Bear software replacing the manatee software used by the District. The department will help with questions arising from the initial use of the new program.

5. Mr. Woody reported fieldwork for all remaining audits had been completed. In addition, he reported write-ups for these audits are being completed and exit conferences would be scheduled once the secretaries and bookkeepers return from summer break in July.

Mr. Woody stated he would prioritize the scheduling of audits to reflect about 30 principal changes. In addition, inventories would be scheduled accordingly.

- VI. Mr. Hurd reported Mr. Woody's evaluation and been completed and stated the Committee was impressed and pleased with Mr. Woody's performance.
- VII. There were no announcements.
- VIII. The Committee set a tentative meeting date of August 16, 2005 at 5:30. Susan Reed is to check to make sure August 16 is not a Board Meeting date.
- IX. Mr. Hurd adjourned the meeting at 6:28 p.m.

  
Secretary

  
Chairman

Sfr

(Note) After verification of Board meeting dates, the tentative meeting date of August 16, 2005 was changed to August 24.