

**Audit Committee Meeting
December 17, 2021 – 10:00 a.m.
Bloxham Building Conference Room**

Meeting Minutes

Meeting Attendees

Jim Davis, Audit Committee Member
Allen Stucks, Audit Committee Member
Herbert Bailey, Audit Committee Member
Pat Weaver, Audit Committee Member
Allen Blay, Audit Committee Member
Julie Lefteris, Audit Committee Member

Rocky Hanna, Superintendent
Opal McKinney-Williams, School Board Attorney
Livetra Paul, Director of Internal Auditing
Alvin Black, Internal Auditor
Dana Earnest, Executive Assistant

Call to Order

The meeting was called to order at 10:15 AM by Audit Committee Member Jim Davis. Jim Davis agreed to facilitate the meeting in the absence of the Audit Committee Chair and Vice Chair.

Approval of Meeting Agenda

Allen Stucks requested modification of the agenda to move the Superintendent's comments about the special investigation at Chiles High School to the top of the agenda. The meeting agenda was approved with the requested modifications. The motion was provided by Allen Stucks and seconded by Julie Lefteris.

Approval of Prior Meeting Minutes

The committee unanimously approved the meeting minutes from the July 15, 2021 audit committee meeting. The motion was provided by Allen Stucks and seconded by Pat Weaver.

Special Investigation – Chiles High School

Superintendent Rocky Hanna provided an overview on the Chiles High School investigation. Mr. Hanna stated that during late spring or early summer the District became aware of some potentially fraudulent activities at Chiles High School. There were concerns about hourly payroll reporting for April and/or May for 27 employees at Chiles High School. The District hired an outside legal firm to conduct the investigation. At the conclusion of the investigation, the District

recommended the Chiles High School principal, Mr. Joe Burgess, receive a two-week suspension without pay. Mr. Burgess challenged the suspension; thus, the case was referred to the Division of Administrative Hearings (DOAH). The case is currently under review by DOAH and a final response from DOAH is due in January 2022.

Dr. Allen Blay suggested that in the future, the Audit Committee could help provide guidance and assistance with these types of issues. Mr. Hanna replied that he was new to dealing with this type of situation. He is now aware he should have presented this information to the Office of Internal Auditing (OIA) and the Audit Committee prior to hiring outside counsel. In the future, he will bring these types of cases to the OIA and the Audit Committee for assistance and direction.

Audit Committee Report to School Board

Dee Dee Rasmussen provided the Audit Committee's Quarterly Report to the School Board on August 24, 2021. Livetra Paul, the Director of Internal Auditing, shared additional information and responded to school board member questions about the Office of Internal Auditing's risk assessment process and the District's external audit firm. The School Board did not express any concerns about the information presented.

Audit Reports – External and Internal

Ms. Paul shared that detailed updates for external and internal audit reports would be provided at a future meeting. The following high-level comments were provided for each audit type:

External Audit Reports

- *School Internal Accounts FYE 6/30/2021* – Purvis Gray and Company has completed field work. They are on track to complete the audit by late January 2022 or early February 2022.
- *Florida Auditor General FTE Audit* – Mr. Speaks confirmed that things are going well with the Auditor General FTE Audit. The District has not received information about when the final report will be issued.
- *District Financial Audit FYE 6/30/202* – Purvis Gray and Company is also conducting the District's Financial Audit. No major concerns have been reported. This report is also scheduled to be completed by late January 2022 or early February 2022.

Internal Audits Reports

Ms. Paul provided an overview of the OIA deliverables since the last Audit Committee meeting. The overview included a discussion of the following documents:

- 4th 2020-2021 Quarter Internal Accounts Summary Report
- 1st 2021-2022 Quarter Internal Accounts Summary Report
- Technical Assistance Advisement (TAA 2021-001) - Internal Accounts Electronic Transactions

Ms. Paul also provided a status report on ongoing projects which included a review of the Chiles High School football program. An information request has been provided. OIA is awaiting receipt of the information. In light of this scenario, Dr. Blay shared that written guidance for booster groups and coaches would be helpful. Ms. Paul shared that the OIA would provide a Technical Assistance Advisement that includes such guidance.

Office of Internal Auditing Annual Work Plan

Ms. Paul provided an overview of the 2021-2022 Annual Work Plan (AWP) and the risk assessment process used to develop the AWP. She shared that OIA could provide more comprehensive coverage of district operations with an additional staff person. There is currently a Director, an Auditor and an Executive Assistant in the OIA. The audit committee suggested that written documentation and support for an additional position should be prepared and presented to the Audit Committee.

The risk assessment questionnaire response rate increased from 22% to 33% from last year to this year. A motion was provided by Allen Blay and seconded by Herbert Bailey for submission of the Draft Annual Work Plan to the school board for final approval. The motion was unanimously approved.

Ms. Paul shared the 2020-2021 AWP Status Report. The projects completed during the fiscal year were discussed. This report will be shared with the school board as an information item on the school board agenda as upcoming.

Public Comments

There were no public comments.

Future Meeting Dates

The next regularly scheduled audit committee meeting will be determined based on issuance of the District's external audit report. OIA will contact the committee to finalize a meeting date to coincide with issuance of the external audit report.

Adjournment

The meeting was adjourned at 11:20 AM.