

**ESCAMBIA COUNTY SCHOOL BOARD
AUDIT COMMITTEE
MINUTES
APRIL 26, 2013 - 1:00 PM**

I. CALL TO ORDER

Tod Wilson, Audit Committee Chair, called the meeting of the Audit Committee to order at 1:03 p.m. in the Human Resource Conference Room, 75 N. Pace Blvd, 1st Floor, Pensacola, FL 32505. Those present were Tod Wilson; Zack Hannah; Earl Lee; Dr. Chula King; David Bryant, Director, Office of Internal Auditing; Michele Kiker, Senior Auditor; Brad Reedy, Auditing Intern; and Jennifer Chinchar, Audit Administration Specialist, recording the minutes.

II. WELCOME NEW MEMBER – Superintendent Appointee, Dr. Chula King

III. ADOPTION OF AGENDA

A motion was made by Dr. King and seconded by Mr. Lee to adopt the agenda as presented. Motion passed unanimously.

IV. PUBLIC INPUT – There was no public input.

V. APPROVAL OF MINUTES FROM MEETING OF FEBRUARY 15, 2013

A motion was made by Mr. Lee and seconded by Dr. King to approve the minutes for the February 15, 2013 meeting. Motion passed unanimously.

VI. ITEMS FROM INTERNAL AUDITING

A. Internal Accounts Audits

1. Lipscomb Interim Internal Funds Audit – Mr. Bryant indicated an interim audit was conducted at Lipscomb Elementary School. He explained the purpose of the interim audit was due to the fact that the prior audit resulted in no opinion being issued. A motion was made by Mr. Lee and seconded by Dr. King to accept the audit. Motion passed unanimously.
2. Summary of Internal Accounts Audit Finding Follow-Ups – Mr. Bryant stated this report is a summary of all internal accounts audit follow-ups conducted. He explained the follow-up process and discussed the details of the report. He also indicated that some schools could have another follow-up conducted or be audited again at year end due to uncorrected findings.

B. Other Audits/Reviews

1. Florida School District Employee Hotline Survey – Mr. Bryant explained that in 2007 an ethics audit was conducted. A recommendation was made concerning the ECSD hotline. Mr. Bryant explained the process of the current project and the details of the report. He also reviewed the current recommendations made to management. A motion was made by Dr. King and seconded by Mr. Hannah to accept the report. Motion passed unanimously.

C. Other Items

1. Items for Approval

- a. Quality Assessment Review (QAR) – Mr. Bryant indicated that the IIA Standards require the Office of Internal Auditing to go through a QAR every 5 years. He stated Ms. Betsy Bowers, Associate Vice-President of Internal Auditing and Management Consulting at the University of West Florida, was the independent validator for this QAR. Mr. Bryant explained the QAR

process and stated the overall rating was "generally conforms", which is the highest possible rating. A motion was made by Mr. Lee and seconded by Dr. King to accept the QAR. Motion passed unanimously.

- b. District-Wide Risk Assessment – Mr. Bryant explained that the Risk Assessment would help create the annual and long-term audit work plans for the office. He explained the details of the process and the information presented. A motion was made by Dr. King and seconded by Mr. Lee to accept the Risk Assessment Matrix. Motion passed unanimously.

2. Items for Discussion

- a. Maintenance Stock Procurement Review – Mr. Bryant explained the maintenance stock procurement process. He also reviewed the process for securing/maintaining stock and need to establish an inventory methodology. He indicated the audit report will be available at the next meeting.
- b. Food Service Procurement Review – Mr. Bryant explained the Food Service Procurement Review process and the added tests that will be performed during this year's audit.
- c. FEMA Update – Mr. Bryant confirmed that Hurricane's Ivan and Isaac are still pending with FEMA.
- d. IIA Standards Updates – Mr. Bryant updated the Audit Committee of the 2012 revisions in IIA Standards, and indicated that no material changes to the office's procedures would be required.

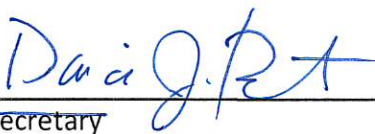
VII. ITEMS FROM COMMITTEE MEMBERS

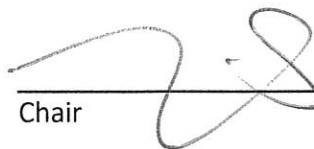
- A. Director Re-Classification (Chair) – Mr. Wilson indicated there is a change pending with Mr. Bryant's job description classification. The necessary paperwork has been submitted to change his job title from Director IV to Director III. Mr. Wilson indicated the change should be finalized at the May Board meeting.

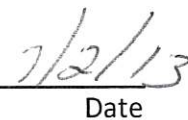
VIII. ANNOUNCEMENTS – Mr. Bryant indicated that the current intern Brad Reedy will be graduating in May 2013, but will continue his employment in the office through the summer. He also indicated that the office plans to hire 2 additional part-time interns in May.

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 2:15 p.m.


Secretary


Chair


Date