

The Escambia County School District
Audit Planning and Review Committee Meeting
Minutes, February 6, 2001

- I. Mike Adkins, Chairman, called the meeting of the Audit Planning and Review Committee to order at 5:36 p.m. in Conference Room B of the Vernon McDaniel Building, 215 West Garden Street, Pensacola, Florida 32501. In addition to the Committee Chair, committee members in attendance were Kelly Bowen, Angela Sheffield, and Shelly Blake. Others in attendance were, Sam Scallan, Director, Internal Auditing, Susan Reed, recording the minutes Debbie Fussell, and Karen Pope.
- II. A motion to adopt the agenda moving the discussion of the cost analysis to the first item was made by Kelly Bowen, seconded by Angela Sheffield, and passed unanimously.
- III. A motion to approve the minutes for the January 8, 2001, meeting was made by Angela Sheffield, seconded by Kelly Bowen, and passed unanimously.
- IV. Items from Internal Auditing:

- C. Mr. Scallan stated that he had completed a cost analysis of the Internal Auditing Department based upon direction received during the January Board workshop concerning the proposal by Ms. Stidham to consider an RFP to outsource the department. Mr. Adkins suggested that the Committee recommend additions and deletions to the analysis presented by Mr. Scallan and develop a conclusion that could be recommended to the Board. In addition to minor changes, recommendations were made to include having a more precise list of other projects and a cost breakdown for the areas of inventory, internal funds and other projects. The Committee also recommended that the analysis include a summary of the different levels of services, experience and ability of staff with turnover being a major consideration. Mr. Adkins recommended adding a statement that there would be no savings of costs for those positions with continuing contracts for one and one half years. Based on information contained in the report, the Committee determined that there would not be an outside firm with the years of experience and ability of the staff that could perform the same work for the cost of the department they presently have. Once recommended changes are made, the Committee directed that the updated report be e-mailed for their final review before sending their recommendation to the Board.

The Committee was reminded of the Board Workshop to be held on Friday, February 16.

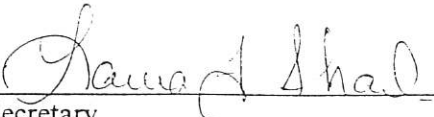
- A. Mr. Scallan reported that Internal Funds Audits have been completed in accordance with State Board Rules, ~~with no reportable conditions for each of 10 schools.~~ The modifications regarding the "inadequate segregation of duties statement" which had been reported in the opinion paragraph of the internal funds audit has been moved to the audit cover sheet as a standard finding as directed by the Committee at the last meeting. This would not apply to George Stone Vocational Center since they have a cashiering function. It was agreed that Mr. Adkins would report these modifications at the upcoming Board meeting and answer any questions. Regarding audit findings on internal funds audits, Mr. Scallan clarified that even when there are no reportable findings that all findings are noted in field notes and are discussed at exit conferences.

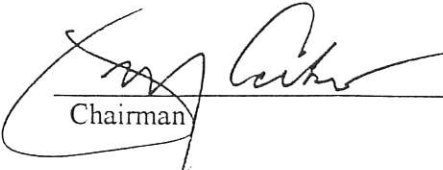
A motion to accept the 10 Internal Funds Audits, with no reportable conditions as indicated on the agenda, was made by Kelly Bowen, seconded by Angela Sheffield, and passed unanimously.

- B. Mr. Scallan stated that the Community School Program Review and the Review of the Fee Collection and Accounting System of the George Stone Vocational Technical Center are annual reviews with the review at George Stone being based on an auditor general recommendation. The Special Investigation of the Northview High School Meat Sale Fundraiser was a request from the Superintendent. The Committee requested that the term "projects" be used when numbering these reports and recommended using "special investigation" instead of review in reference to the Northview meat sale review. The Committee commented that the responses to the reports were appropriate. Along with minor changes, the Committee recommended that any reference to people by name in reports be replaced and that a statement be added recommending that a fundraiser guideline committee be established in the Special Investigation of the Northview High School Meat Sale Fundraiser. Mr. Scallan mentioned that a Fundraiser Guideline Committee has been established which he is serving on.

A motion was made by Angela Sheffield to accept the other completed audits, seconded by Kelly Bowen, and passed unanimously.

- D. Mr. Scallan reported that he had only met with one Board member to get their input for the Risk Assessment due to their busy schedule. He stated that he and Mr. Adkins had met with the Superintendent and discussed making one more effort to meet with the Board Members and, whether they were able to meet with him or not, that he would formulate the Risk Assessment with input received thus far.
- E. Mr. Scallan stated that the current projects for different Booster Clubs would be combined in one report. He plans to make recommendations including one for their use on basic rules and guidelines. He also stated that he had assigned a different auditor to the Construction Change Orders review and announced the addition of a project regarding life insurance premiums. In addition, he stated that as soon as copies of school contracts are received, he expects the high school audits to be on the next agenda as completed audits.
- F. There were no "Other Issues"
- V. Items from Committee members
- VI. Karen Pope, a representative from the Escambia County Council of PTA, stated her reasons why the department should not be outsourced. She also requested that a PTA representative be added to the guideline committee and suggested that the Citizen Advisory Committees be asked for their input in the Risk Assessment.
- VII. Mr. Scallan reminded the Committee that the Board Workshop would be Friday, February 16, and asked if other committee members could attend in addition to Mr. Adkins.
- VIII. Possible dates for the next meeting would be e-mailed to committee members at a later date.
- IX. Mr. Adkins adjourned the meeting at 6:37 p. m.


Secretary


Chairman