

**The Escambia County School District
Audit Planning and Review Committee Meeting
Minutes, October 2, 2000**

- I. Mike Adkins, Chairman, called the meeting of the Audit Planning and Review Committee to order at 5:30 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, Laura Shaud, and Angela Sheffield. Others in attendance were Susan Reed, recording the minutes, Sam Scallan, Director, Internal Auditing, and Tommy Taylor.
- II. A motion was made to adopt the agenda by Angela Sheffield, seconded by Kelly Bowen, and passed unanimously.
- III. A motion to approve the minutes for the August 1, 2000, meeting was made by Laura Shaud, seconded by Angela Sheffield, and passed unanimously.
- IV. Items from Internal Auditing:
 - A. Mr. Scallan reported that Internal Funds Audits have been completed in accordance with State Board Rules with no reportable conditions for each school listed on the agenda. He continued by saying exit conferences were held with each school to discuss management comments, which are followed up with succeeding audits. Mr. Scallan added that with the Committee's acceptance, the completed audits are ready to be placed on the agenda for the next regularly scheduled Board meeting.

A motion to accept the Internal Funds Audits completed as indicated on the agenda was made by Kelly Bowen, seconded by Laura Shaud, and passed unanimously.
 - B. Mr. Scallan announced that each Committee member had received a copy of the Internal Auditing Department Charter with language changes following approved minutes of the July 24, 2000, Board meeting.
 - C. Mr. Scallan presented the Committee a draft outline of a risk assessment model in development. The Committee and Mr. Scallan agreed that it would be more beneficial to postpone further development of a risk assessment for the immediate future. The guidelines for requests for audit services were briefly reviewed after concern was expressed on the amount of time that would be available to complete such requests following completion of the Risk Assessment.
 - D. A list of current projects that the Internal Auditing Department is involved in was discussed. Several reports are to be released in mid November. The Committee requested that the Construction Change Order Project be moved up in priority, given the potential dollars involved as well as concerns raised by several Board members and references made in a recent Grand Jury Report.

A motion was made by Laura Shaud to amend the agenda, delete the last item in this section and include it under Item I, Other Issues. The motion was seconded by Angela Sheffield and passed unanimously.

- E. Mr. Sallan reported that he is gathering information regarding whether principals have authority to enter into contracts. The Board is questioning contracts that are issued by principals involving internal funds.
 - F. Mr. Scallan discussed the development of a contract database being used to gather information on contracts entered into by the District. He hopes that this will be a tool used to research specific contracts when performing audits. The Committee agreed that this could be used when developing a risk assessment model. In response to a question from Mr. Taylor, Mr. Scallan stated that Curriculum and Instruction contracts would be included in this database.
 - G. Mr. Scallan announced that one of the part-time co-op students had resigned to take a permanent full-time job. He decided to not request a replacement due to District budgetary constraints but plans to request a replacement to start working at the beginning of the next school term. This leaves the department with one part time student.
 - H. The Committee received draft copies of Tate and Pine Forest High Schools Internal Funds Audits to review and make recommendations.
 - I. Other issues included Mr. Scallan being asked to be a part of the Professional Practice Investigation. He also discussed the request for interpretation of the Board policy regarding the 25¢ band assessment of football tickets brought to the Board's attention for clarification. Mr. Scallan discussed the impact of the November election for School Superintendent. He indicated that no matter the outcome, he believed that the work of the department would be impacted. The last item discussed was the release of the recent Grand Jury Report which included a discussion and recommendations for the Internal Auditing Function.
- V. Items from Committee members
- A. Mr. Adkins proposed delaying the project for control environment, SAS 78. However, it will remain on the Committee's agenda.
 - B. Ms. Shaud reported to the Committee that she had, acting as a parent, discussed a band booster issue with Mr. Scallan. Mr. Adkins asked for direction regarding his monthly report to the Board.
- VI. Mr. Taylor asked a question regarding requirements for audits of direct support organizations. Mr. Scallan explained that according to State Board Rule, the board of directors of the direct support organization was responsible for providing for the annual audit by an external CPA.
- VII. There were no announcements.
- VIII. The next meeting will be scheduled at a later date.
- IX. Mr. Adkins adjourned the meeting at 6:27 p. m.


Secretary


Chairman