

**The Escambia County School District
Audit Committee Meeting
Minutes, October 24, 2003**

- I. Mike Adkins, Chair, called the meeting of the Audit Committee to order at 11:08 a.m. in Room 130 of the J. E. Hall Center, 30 E Texar, Pensacola, Florida 32503. He introduced the new member of the committee (PTA representative), Mr. Earl Lee, and welcomed him to the committee. The remaining committee members in attendance were: Aleta Hudson, Betsy Bowers and Kathy Langley. Others in attendance were: Francisco Negron, School Board General Counsel; and Susan Reed, recording the minutes.
- II. Upon motion and second, the Committee adopted the agenda.
- III. There was no public input.
- IV. The June 25, 2003, meeting minutes were approved as submitted.
- V. Mr. Adkins stated that Mr. Scallan, Director, Internal Auditing was on administrative leave for sexual harassment charges. He also reported that an investigation had been completed by the District's Human Resources Department and a report had been issued to Mr. Scallan and his attorney. Mr. Adkins introduced Mr. Francisco Negron, Board Counsel to the Committee who had been invited to help answer questions from the Committee.

Mr. Negron summarized the procedures leading up to and during the investigation and pertaining to the release of the report. He advised that according to statute, the report would remain confidential for ten days from the date released to Mr. Scallan but since copies had been given to Board members that the Committee could request copies.

Committee members asked Mr. Negron questions concerning the Committee's responsibility according to the Audit Committee Charter. He pointed out that the Charter does contain language to support their involvement. Mr. Negron explained that Mr. Scallan's response to the report and whether he requests a DOA hearing would determine what, if any, action they should take. Mr. Adkins reported he and Mr. Scallan had been neighbors at one time but since 1979, their only relation was professional. He stated that he could be both fair and objective in this situation. After direction from Mr. Negron and further discussion concerning the work of the Internal Auditing Department and the need for an interim director, the Committee agreed on a recommendation to be presented to the Board.

A motion stating: "If the Internal Auditing Director position remains vacant beyond November 15, 2003, we will recommend an interim director be appointed to allow for completion of statutory internal funds audits," was made by Betsy Bowers and seconded by Kathy Langley.

VIII. The next meeting was scheduled for November 17, 2003 at 5:30 p.m. to discuss recommendation of specific person to take position as interim director.

IX A motion to adjourn was made by Earl Lee and seconded by Betsy Bowers. Mr. Adkins adjourned the meeting at 12:00 p.m.



Secretary



Chairman