

**Orange County Public Schools
Audit Advisory Committee
Minutes of Meeting November 2, 2017**

Chairman Puckett called the meeting to order at 8:07 a.m. Committee members Debi Roth, Dan Williams and Kay Redlich were present (Mr. Williams by teleconference). Committee member Scott Funston was absent. Also present was Linda Lindsey, Senior Director, Internal Audit, and Tammy Campbell of McDirmit Davis & Co.

Approval of Minutes

Minutes of the meeting of August 29, 2017 were approved.

Review of Internal Audit Charter

The committee reviewed the Internal Audit Charter and recommended that the 2 paragraphs after the list of responsibilities be deleted as they are more procedural and do not fit in the charter document. However, certain parts of those paragraphs related to department responsibilities (issuing reports and verifying management's actions to address audit findings) will be added to the list of responsibilities.

Ms. Lindsey will make the necessary revisions and bring the charter back for the committee to consider at its next meeting.

Review of Audit Advisory Committee Charter

The committee discussed the charter and determined that no revisions are needed at this time.

Recommendation for Audit Advisory Committee Member

At the committee's request, Tammy Campbell, a partner with McDirmit, Davis & Co. had been invited to today's meeting and was in attendance. Her bio had been shared with the committee members and Ms. Campbell made a few remarks about her background and experience. After a brief discussion the committee voted unanimously to recommend to the School Board that Ms. Campbell be appointed to the committee effective January 1, 2018 for a 3-year term.

Election of Committee Chairman for 2018

Members of the committee and Ms. Lindsey acknowledged that Chairman Puckett's term will end on December 31 and thanked him for his years of service as both a committee member and as chairman. Mr. Puckett nominated Dan Williams to be

chairman for 2018 and the committee voted in agreement. Mr. Williams will assume the chairmanship in January.

Discuss Annual Report to School Board

Ms. Lindsey indicated that the date for this annual presentation has not yet been set, but it is usually in December or January. The slides from the previous annual presentation had been sent to committee members in advance and discussion ensued.

In summary, the committee recommended a number of revisions to the slides. Ms. Lindsey will make those revisions and send the revised slides to the committee members for review and comment.

CAE Report

Additional internal auditor position:

Two rounds of postings have not resulted in a successful placement. Ms. Lindsey will be meeting with HR to discuss strategies for the next effort to fill this position.

The committee suggested that the department consider using interns or entry level auditors. Ms. Lindsey indicated that they would consider these suggestions.

CGCS Internal Auditors' Meeting:

Ms. Lindsey will be attending this meeting November 14 – 18 in Miami. She will report on the meeting in January.

CGCS White Paper – Internal Auditing in the Great City Schools:

Committee members had been sent this white paper earlier in the week. Chairman Puckett mentioned three areas where he thought clarity may be needed. They dealt with the audit committee's responsibility for risk management, the committee's responsibility to "ensure" the internal audit function's access to records and personnel, and the committee's approval of the CAE's compensation. The committee recognizes that the white paper has been published, but suggested that, in discussions regarding its content, we seek to provide further clarification of the OCPS Audit Advisory Committee's role in these areas.

Cybersecurity Audit:

The RFP resulted in 9 proposals which will be reviewed and evaluated at a meeting on November 10. The RFP indicates that the work would begin in early January and should be complete by the end of March.

Construction Audit Services:

Ms. Lindsey informed the committee that the current contract for these services is set to expire in April, 2018 and all extensions have been exercised. For this reason, an RFP is in process to solicit proposals from qualified firms to provide these services. The committee will be asked to serve as the proposal evaluation committee for this solicitation and will meet in a specially-called meeting for that purpose. When a schedule has been prepared, Ms. Lindsey will inform the committee so they can set their calendars. An update and more information will be provided at the next meeting.

FEFP Audit:

Ms. Lindsey reported that she attended the entrance meeting for the Auditor General's FEFP (Florida Education Finance Program) audit of the district for the 2016-2017 school year. The work started today and will finish in March. Ms. Lindsey will keep the committee informed of the audit progress at future meetings.

Audit Activity and Follow-up Status Reports:

The committee acknowledged receipt of these reports and had no comments at this time.

Audit Committee Annual Self-Assessment

The committee dismissed Ms. Lindsey at 9:29 so they could conduct their annual self-assessment. Chairman Puckett will send the completed assessment to Ms. Lindsey for the records.

The meeting was adjourned at the conclusion of the self-assessment.

The next regular meeting will be January 23, 2018 at 8:00 a.m.