

**Orange County Public Schools
Audit Advisory Committee
Minutes of Meeting August 25, 2015**

Chairman Puckett called the meeting to order at 8:06 a.m. Committee members Jim Ingersoll, and Rick Whitefoot were present and Scott Funston participated by telephone. Committee member Debi Roth entered the meeting at 8:09, just after the minutes were approved. Also present was Linda Lindsey, Senior Director, Internal Audit, Sarah Graber, Senior Director, Finance, and Catherine Nguyen, Director of Finance for OCPS and 2 representatives of Cherry Bekaert, the district's external audit firm.

Approval of Minutes

Minutes of the meeting of June 4, 2015 were approved as submitted.

Pre-audit Meeting with External Auditors

Jim Burdick and Robert Nevill of Cherry Bekaert were present to meet with the committee. Mr. Burdick reviewed a handout that was sent to the committee in advance of the meeting. He discussed the auditors' responsibility, communications, status and timing of the audit. He indicated that they have identified 3 major programs for the federal single audit. He also reviewed new accounting pronouncements and new Uniform Grant Guidelines that will be applicable to the district. The committee asked questions about the completion date for the audit, the new pronouncements and the use of MWBE sub-contract firms.

Upon learning that the IT auditor for Cherry Bekaert had already conducted most of his work, Ms. Lindsey reminded Mr. Burdick that she had asked to be informed at the start and conclusion of that work so that the district IT auditor could attend those meetings and be informed of (as well as contribute to) the information exchanged. Mr. Burdick indicated that he would have his IT auditor contact her office.

Annual Report of Internal Audit Activity

The committee was asked to review the Annual Report for the Internal Audit department that was distributed by Ms. Lindsey. She noted new information included in this year's report and pointed out certain highlights. Committee members indicated that they would get back to her with any comments or suggestions.

Discuss Committee Reappointments

Ms. Lindsey informed the committee that two members, Scott Funston and Rick Whitefoot, have terms that will end on December 31 of this year. Both are eligible to be

reappointed. Mr. Funston has indicated his willingness to serve another term. Mr. Whitefoot will consider reappointment and inform Ms. Lindsey of his interest. Action to recommend reappointments or new members will occur at the committee's November meeting.

CAE Report

Ms. Lindsey asked if there were any questions about the audit activity status report or the follow-up status report sent out with the agendas. She noted that the number of follow-up items that are more than one-year old has decreased and discussed certain findings that have closed since the report was prepared. She also noted certain challenges with some of the findings.

Ms. Lindsey reported that the department is continuing a periodic self-assessment as part of its quality assurance and improvement program. She has asked staff to complete it by September 30, and she will report the results at the next committee meeting.

The committee reviewed and discussed the results of a survey conducted with other large Florida school districts. The survey asked about the size and structure of the internal audit department at these other districts. It also included questions about the other districts' use of technology. It was noted that our department seems to be at the fore-front of this particular group of departments when it comes to using electronic work papers and in our consideration of audit management software.

The meeting was adjourned at approximately 9:35 a.m.

The next meeting will be November 17, 2015 at 8:00 a.m.