

THE SCHOOL BOARD OF SARASOTA COUNTY, SARASOTA FLORIDA
SCHOOL BOARD AUDIT COMMITTEE MEETING MINUTES
March 3, 2020

ATTENDEES: Joe Bettley, Mitsi Corcoran, John Cranor, Sue Memminger, Tom Nate, Michael Pender, Eric Robinson, Caroline Zucker, Art Hardy (Board Counsel)

GUESTS: Ryan McKinnon, Barry Dubin, Pat Gardner, Susan Magers

HANDOUTS: Risk Assessment Report

Meeting called to order at 4:00 p.m.

I. Welcome / Introductions

II. Email Address / Public Record Requests

Art Hardy presented members with a memo outlining the Sunshine and Public Records Law. Discussion ensued regarding certain requirements that will apply to the committee members. The Auditor Selection Committee is subject to Florida's Government in the Sunshine Law, which means that any communications between two or more Committee members on matters that will foreseeably come before the Committee for action must only take place at a public meeting of the Committee.

Mr. Hardy explained that any documents related to service on the Committee are subject to Florida's Public Records Law. Public records are essentially any document made or received in connection with the transaction of official business. The law requires public records to be open for inspection to any person, whereas the School Board must provide copies of the records. For this reason, the School Board provided email address should be used for all Committee business.

III. Review of Risk Assessment

The Committee reviewed the *Risk Assessment for Internal Audit Plan – Proposed Top 10 Report* prepared by RSM. The objective of the risk assessment is to develop a proposed internal audit plan, the purpose of which is to give sufficient and continuous internal audit coverage of the areas determined as having a relatively high-risk profile which requires internal audit attention. The generically identified areas on the report are: Human Resources (Recruiting and Onboarding), Operations (Construction, Purchasing and Procurement Compliance, Contract Compliance, Transportation, Facilities Maintenance), Communications/Materials Management (Public Records/Record Retention), Information Technology (Data Protection Assessment, Cybersecurity Internal and External Network Intrusion Penetration Testing), Finance and Budget (Timekeeping).

For the members to understand the purpose of their role on the Audit Committee, Mitsi Corcoran explained the different audits that take place in the district by

various entities. Caroline Zucker referred the members to Policy 2.29, *Auditor Selection Committee*, which states that the purpose of the Committee is to assist the School Board in selecting an auditor to conduct the annual financial audit, to review findings and management responses in audit reports of Board operations and provide advice and recommendations to the Board for correcting deficiencies, and provide advice and recommendations to the School Board on initiatives to improve operational efficiencies in order to incorporate business experience and best practices in action plans.

After Mitsi discussed the Auditor General's audit findings, the Committee recommended they should review the Florida Auditor General's Operational Audit Report dated January 2019 for the seven findings to better understand RSM's Top 10 Report.

After a lengthy discussion and explanation for each of the items from RSM's Top 10 Report - Human Resources, Operations (Construction, Purchasing and Procurement Compliance, Contract Compliance, Transportation, Facilities Maintenance), Communications/Materials Management, Information Technology (Data Protection Assessment, Cybersecurity), Finance and Budget (Timekeeping) – the discussion centered around which are the top priorities.

The Committee decided the following areas will be audited first:

- 1) Operations – Construction
- 2) Operations – Purchasing and Procurement Compliance
- 3) Operations – Contract Compliance

Future areas to be audited will be Employee/Records/Timekeeping, Technology, Transportation and Facilities.

The Committee decided that an external auditing firm would be best to cover the specific area of each company's expertise. This could be one firm or multiple firms depending upon the responses received. Mitsi will direct the District's Procurement Director to put together an RFP for engagement that covers *Operations – Construction, Purchasing and Procurement Compliance, and Contract Compliance*.

IV. Member Comments

The Committee requested for the RFP to be sent to them for review prior to being sent out to companies. The next meeting will take place after the RFP responses have been received.

Meeting adjourned at 4:55 p.m.

Respectfully submitted,
Kathy Tomkins