

## **Audit Committee Meeting**

July 20, 2022 – 9:30am - 450 Park Place – Conference Room 139

### **Attendees:**

Chris Ensslin (Audit Committee Chair)  
Dave Osborne (Audit Committee)  
Nick Clark (Internal Auditor for the District)  
Chris Salyers  
Raymond Ross  
Joe Gibson  
Myron Thompson  
Sherry Price  
Alicia Miller (Compliance Officer)  
Casondra Jones  
Jaclyn Badeau (Audit Committee) via phone

### **INTRODUCTION & APPROVAL OF MINUTES**

Previous minutes not approved, waiting on Dr. Liggins and Dr. Barbers approval for special call meeting in June. Chris Ensslin indicated he would be stepping down after this meeting.

### **INTERNAL AUDIT UPDATE – Internal Auditor for the School District – Nick Clark**

Nick Clark introduced himself to the committee as the district's new staff Internal Auditor and discussed his intentions for the District's audits. 1<sup>st</sup> steps-Working on creating checklist from previous audit meetings and making sure he has an audit plan for the upcoming audits. Will make sure significant risks are followed up on. Needs to give adequate time to implement findings. Include what criteria is needed by October.

Committee likes that new auditor will be focused on follow-ups. They also emphasized the importance of independence and self assessment.

### **EXTERNAL AUDIT UPDATE – STROTHMAN AND COMPANY – Not in attendance**

Provided a handout memo with update on FY22 external audit.

Currently in the planning status of the audit. Audit confirmations have been prepared and sent out. Will be meeting with Becky Riley and Nick Clark on July 22, 2022 to discuss audit. Will begin School Activity Fund audits the week of August 15, 2022. Reviewed the preliminary Schedule of Expenditures of Federal Awards (SEFA) and completed determination of major programs for Federal Awards audit testing for FY22. Will begin Interim Audit Fieldwork the week of August 1, 2022 and will start testing of Federal Awards for the Single Audit fieldwork, review internal control documentation and begin initial procedures for Fixed Asset testing.

### **COMPLIANCE OFFICER REPORT (ALICIA MILLER)**

Touched on update from 06/22/22 meeting. Nine reports from EthicsPointe hotline. The types were: Financial Mismanagement, Environmental Safety and Conflicts of Interest.

Anonymous complaints can still be responded to, the Compliance Officer will send to school Chiefs to look into. Of the nine cases, five were in the “other” category, most were personnel issues. Two active cases are still open.

In addition to Ethicspointe, there is a STOP Tip hotline where complaints can also be reported. Any personnel issues being investigated go to the Compliance Officer.

Question: Could there ever be any communication, Financial in nature, that would not come thru the Ethicspointe hotline and if so, how would it get to the Compliance Officer? This would be a question for the Executive Director of Finance since he handles the financial business of the District. His department also has a Compliance Officer who looks into the financial issues.

School Principals (and Bookkeepers) are asked at the end of the year, by the External Auditor, if they were aware of any fraud during the school year. Word of mouth complaints should be followed-up on by the Compliance Officer to determine the scope and investigate whether or not there is proof of wrongdoing. This should be brought up for discussion at the next audit meeting.

#### **AUDIT COMMITTEE MISC.**

Henry Clay investigation report will be discussed at the next Audit Committee meeting.

Afterschool Program report is something that anyone can request through an Open Records request. Rodney suggested to keep this confidential but the Audit Committee chair was unaware of any reason that it should be. Internal Auditor will be following up with Rodney. (Subsequently, followed up with Rodney. He did not say keep it confidential. He stated that it had not been shared with all of the schools yet as we were awaiting the presentation to the audit committee first.)

With the Chair-person's resignation, that position will need to be replaced to determine who the new chair will be. Jaclyn Badeau (Audit Committee member) has agreed to step in but needs some understanding and clarification of the role. Also, there was discussion that the Charter needs to be looked at with Rodney, Nick and the Superintendent.

#### **CLOSING THOUGHTS**

Chris wished everyone the best as he steps down from the Audit committee and the committee wished Chris the best as well.

Next meeting will be on October 19, 2022 at 9:30 am

Meeting adjourned by Chris Ensslin.