

Audit Committee Meeting

January 15, 2025 – 9:30 am – John D. Price Administration Bldg. – Conference Room 139

Attendees:

Jaclyn Badeau (Audit Committee Chair)
Nick Clark (Internal Auditor for the District)
Donna Austin (Administrative Assistant)
Jana Moulton (Associate Internal Auditor)
Dave Osborne (Committee Member)
Kacey Urbaneja (Classified Representative)
Amy Green (School Board Representative)
Greg Hodge (Audit Committee)-Virtual
Chris Mottet (Committee Member)-Virtual
Larry Forester (Audit Committee)-Virtual
Brett Nabors (Weaver)-Virtual
Hunter Sundbeck (Weaver)-Virtual

Absent:

Chris Salyers (Certified Representative)
Houston Barber (Deputy Superintendent)
Jeanna Jones (External Audit Representative)
Joe Gibson (Principal Representative)
Alicia Miller (Compliance Officer)
Bret Nathaniel (Equity Council Representative)
Rodney Jackson (Executive Director of Financial Accounting & Benefit Services)

Engage and X-plore

The Chair opened the meeting by welcoming Chris Mottet as the newest Committee Member. The Chair asked for approval of the November 11, 2024 minutes. The motion was made for approval by Greg Hodge and seconded by Dave Osborne. The minutes were approved by the Audit Committee.

Communicate

Network User Access Audit/IT Audit Plan

Brett Nabors/Weaver stated the Network User Access Audit has been completed. At the October 16, 2024 meeting, Weaver reviewed the draft report, including recommendations and findings. No changes were made to those recommendations and findings in the final report. Weaver asked if the Committee had any questions about the final report. Larry Forester indicated that the incorrect location was listed on the summary report. Weaver made a note to correct it in the report. Weaver completed an IT Risk Assessment, which was used to develop a proposed IT Audit Plan. The Chair asked whether Weaver or Internal Audit would follow up on the recommendations and findings. Nick Clark will give an update at the meeting in April.

Brett Nabors stated that Weaver completed a risk assessment, and they have developed a proposed IT Audit Plan. They focused on all risks that can impact IT and interviewed a wide range of individuals within FCPS.

Self Assessment/New IIA Standards

The Chair explained that an Internal Audit department is supposed to do internal self-assessments annually and every five (5) years should have an external audit completed. This is part of the IIA standards and practices. Nick Clark expressed to the committee that he felt the department had been working as a true audit department more so in this his third year. He indicated that the department would begin to complete self-assessments and that we would seek to have an external audit completed within the next three to five years. The Chair asked Nick to develop a timeline for the self-assessment process and whether he was planning to do the assessment for this fiscal year or possibly next year. Nick stated he did not think they could complete the entire self-assessment for the current fiscal year with only six months left. Dave Osborne suggested selecting a portion each year to perform the assessment. The Chair asked Nick to prepare a proposed timeline for the self-assessment and when he wants to complete the external review. This would allow the committee to review and provide feedback at the April Committee meeting.

Student Activity Funds Audit

Nick Clark indicated that nine school audits were completed, and four audits were considered not acceptable. The schools with unacceptable audits were Bryan Station High School, Paul Laurence Dunbar High School, Frederick Douglass High School, and Winburn Middle School. Nick indicated that Jana Moulton would conduct follow-up reviews for these schools within the next few months. These reviews will not be announced. Nick indicated that any high-risk findings identified during the audit now require the school principal and bookkeeper to provide a response and corrective action plan for resolving those findings. Based on the internal audits completed to date, three high schools were deemed as not acceptable. This has prompted conversations with Rodney Jackson and his team, along with the Assistant Superintendent of School Leadership and the High School chief, about the need for specialized training for the high school bookkeepers and principals. FABS is planning to hold a training for the High School bookkeepers and principals over the summer.

Jana Moulton presented the overall findings for each school. There were two findings that were found at all nine schools. 1) invoices dated prior to the PO and 2) lack of approval signatures indicating that goods and services were received. FABS has suggested that each school purchase a stamp with all the required information for the second finding. As for invoices dated prior to the approval of PO, Jana stated this is a districtwide issue. Jana stated the number of instances of this happening has come down, but there are still findings. Jana stated there were several findings that were concerning. These findings included missing invoices, missing requisitions, untimely deposits, and receipts with checks dated more than a month old, and in some cases, five or six months old.

External Audit

Jeanna Jones was not in attendance.

Compliance

Alicia Miller was not in attendance.

Empower

Launch

The next meeting is scheduled for April 16, 2024, at 9:30 am. The Office of Internal Audit will present the Audit Plan for FY 2026. Other audit reports will be presented as well. The Chair reminded everyone that the next meeting will be her last one, and they will need to decide on a new Audit Committee Chair. The Chair also recommended that the Committee consider adding a fifth committee member and look into diversity when choosing that Individual.

An official adjournment to end the meeting could not be done due to not having enough members remaining.