

Audit Committee Meeting

Oct. 15, 2025 – 9:30 am – John D. Price Administration Bldg. – Conference Room 4042C

Attendees:

Larry Forester (Audit Committee Chair)
Lindsey Dial (Committee Member)
Dave Osborne (Committee Member)
Amy Green (School Board Representative)
Kacey Urbaneja (Classified Representative)
Bret Nathaniel (Equity Council Representative)
Kandace Bright (PTA 16th District Representative)
Nick Clark (Internal Auditor for the District)
Jana Moulton (Associate Internal Auditor)
Rodney Jackson (Executive Director of Financial Accounting, Budget & Benefit Services)
Alicia Miller (Compliance Officer)
Houston Barber (Deputy Superintendent)
Donna Austin (Administrative Assistant)
Meaghan Reynolds (LBMC Audit Representative)- Virtual
Katie Reed (LBMC Audit Representative)- Virtual

Absent:

Chris Mottet-(Committee Member)
Greg Hodge (Audit Committee Vice Chair)
Chris Salyers (Certified Representative)

Engage and X-plore

The meeting was called to order at 9:30 AM by Larry Forester, Audit Committee Chair. Two individuals provided public comment.

A motion to approve the agenda with no revisions was made by Lindsey Dial. The motion was seconded by Dave Osborne. Motion was carried with all in favor. The minutes from the meetings on July 16th, September 24th, and October 1st were presented for approval. A motion to approve the minutes with no revisions was made by Lindsey Dial. The motion was seconded by Dave Osborne. The motion was carried with all in favor.

Communicate

School Activity Fund Audits

Nick Clark indicated that the Office of Internal Audit is working to wrap up a three-year cycle of auditing each of the schools. Jana Moulton completed sixteen audits in the spring and summer. The findings were consistent with all the other schools previously audited. The Office of Internal Audit met with the principals and bookkeepers at each school to review the findings and address any questions. Nick indicated that the Office of Internal Audit is currently working on the last batch of school audits. When completed, the Office of Internal Audit will have audited all schools within a three-year period. There were several questions regarding the Purchase Order process and training for the bookkeepers.

Update on APA Audit and RFP

Nick Clark indicated that the State APA reached out to request fourteen different items related to policy and procedures, financial information, general ledger (G/L) information, salary information, and board minutes. All requested information was provided to the State APA. The District is waiting for the State APA to request additional information or initiate interviews, or whatever else they may need.

The scope of work for the proposed independent audit was presented to the Board on October 13. Nick reviewed the current scope of work for the Board, which reflected the Audit Committee's priorities for the engagement. The Board raised a question about P-card usage, specifically related to travel. Nick asked the Committee whether P-card travel should be explicitly added to the scope or if it was already sufficiently covered. Dave Osborne recommended including how P-cards are issued. Nick agreed to incorporate this. Nick also noted that the Board requested a follow-up on the 2014 State APA audit. The Committee concluded that the scope should be adjusted to include two added components for the selected audit firm: consulting with Internal Audit on any P-card areas previously reviewed, and identifying items requiring follow-up from the prior State APA audit.

External Audit Update (LBMC)

Meaghan Reynolds, External Audit Shareholder, provided an update on the audit, noting that fieldwork is progressing well and the team is receiving the necessary information. They are currently working through student activity fund reporting. She mentioned two new GASB standards effective this year: GASB 101 on compensated absences and GASB 102 on certain risk disclosures. The team is coordinating with the district on their implementation. A draft of the financial statements is expected soon. The single audit has begun, although the final 2025 Compliance Supplement is still pending. While some entities, including KDE, have advised delaying issuance until the supplement is released, KDE has extended the audit deadline, and LBMC plans to continue on its normal schedule. Katie Reed added that the team is aware of recent public concerns regarding the budget. In response, they expanded their internal control and expenditure testing, including targeted P-card review. She emphasized that these areas are tested annually and have historically not shown control issues, but additional procedures have been incorporated this year.

Compliance Update

Alicia Miller reported no new compliance issues.

Adjournment:

A motion to adjourn the committee meeting was made by Lindsey Dial. The motion was seconded by Dave Osborne. The motion carried with all in favor. The meeting was officially adjourned.