

Audit Committee Minutes

January 18, 2017

Attendance: Bob Moore, Dave Osborne, Debbie Smith, Kourtney Nett, Beverly Reese, Myron Thompson Tiffany Williams, Lindsay Wright, Jennifer Dyar, Rodney Jackson, Jennifer Koutoulas, Becky Riley and Sherry Price

The meeting started with Bob Moore, Director of Technology, making a request to eliminate the tagging of inventory of devices that cost less than \$500 (Chromebooks and some iPads). The committee agreed to stop tagging those devices which would save the district many man hours. Those devices will still go through the Warehouse and be tracked as to location. The update on the process will be updated on the web and will be communicated to all stakeholders.

Kourtney Nett, MontJoy Chilton, Medley, reported on the After School Program Audit. She went through what the objectives were, the risk rating and some findings with particular schools. A standard template will be made for fee usage so all schools will be using the same form. Rodney did remind everyone that there are several trainings through the year for all Bookkeepers and Principal to attend. The audit committee asked who was responsible for the overall and individual report findings. It was stated the individual school Principals are responsible for their findings and working collaboratively with their Instructional Directors and other applicable district staff are held accountable. It was explained to the audit committee, that Tiffany Williams, Associate Director of Finance. Will be working with the Instructional Directors to assure that the accountability and corrective action plans are implemented prior to the next audit committee meeting in April.

The committee was notified that the next internal audit will be on Grants and then followed by Benefits prior to June 30, 2017.

Becky Riley, Associate Director of Tax/Accounting, presented Fifth Third Treasury Management, bank accounts and audit deadlines. She explained the investment of securities and daily processing through our Fifth Third system. She also talked about who is responsible for specific items that are asked for during audit. It was communicated to the audit committee, that Fifth Third Bank is our primary bank and although they have presence in Lexington, KY. The investments take place at the Nashville, TN office and the payroll and wire transfers occur in the Cincinnati, OH office. Becky explained how critical it is to have open lines of communications with all of the offices and their website Fifth Third Direct. The committee asked, how the monitoring is done related to investments and applicable interest rates. Becky and Rodney both explained that the requirements of the new bank bid requires a minimum of \$30 million be maintained in our primary account to cover fees associated with all of our bank accounts. The excess funding above \$30 million is then analyzed for investments based on meetings with Fifth Third Investment group in Nashville, TN on a quarterly basis to assure liquidity of funds, fees are covered and maximization of investments.

Lindsay Wright, Compliance Officer, gave updates on the status of Navex Hotline system. A few more changes have been made since last meeting and the system should be up and running by June. Communication will go out between now and June explaining the process and use of the Hotline.

There are 2 seats open on this committee so Rodney recommended 2 individuals and the committee agreed to ask each of them to join the committee.

Next meeting April 19 with the presentation done by Tracy Dennis and Nick Clark on Risk Mitigation Benefits (Insurance and payroll).