

FCPS Audit Committee Minutes

October 21, 2015

9:30 – 11:30

Attendance: Sheresa Nelson, Jeanna Jones, Bill Meyer, Lee Ann Watters, Vaughn Holland, Becky Riley, Tiffany Williams, Lindsay Wright, Dave Osborne, Rodney Jackson, Beverly Reese, JoAnn Bright, JoJuana Greene, John Price, Sherry Price

Compliance Hot Line anticipated active date is sometime in December or January. Lindsay Wright will give the committee information on actual calls and the status of them. As Compliance Officer she will also report to the Board once a year.

LeAnn Waters, MCM – Internal Auditors, reported on the Risk Assessment that has been completed. There are departments that have been noted as “high, Moderate and Low” risk. Risk Assessment shared with the audit committee. Internal Auditors preliminary plan is to do Grants January – June. Fixed Asset area audited will be next sometime in July.

Technology – cyber security will be checked

Athletics – gate receipts and boosters will also be checked

The Payroll Internal Audit project has been completed and the final report will be out in a few weeks. The final report will be shared with the entire audit committee after the district has had a chance to respond accordingly with a corrective action plan in any areas noted.

Internal Auditors mentioned rates on the salary schedule were not consistent in later years of the salary schedule. Question were asked if that was a manual or automatic process. Answer: It is a manual process done by Budget and Staffing.

Comments on Rosa Parks – Both internal and external auditors looked at Rosa Parks after several concerns raised by stakeholders. Both audits revealed some areas for improvement but no areas rose to the level of necessary potential disciplinary action.

Bill Meyer from Strothman & Co., our external auditors, spoke of what the role is of the external auditors.

External communications, Internal controls and general control responsibilities

They are to report on the following:

1. Financial Statements are fairly stated
2. Federal Funds A133
3. School Activity funds – visited 17 schools

A few of the problems in the School Activity Fund area were as follows:

- a. deposits of \$100 or more not being made daily
- b. multiple receipts forms
- c. receiving preapproval before purchasing

A request was made that any audit adjustments should be reported to the committee. There may have been audit line item adjustments done that do not change the bottom line figures but need to be reviewed by the Board.

The question was asked who has access to change those budget line items. Who keys budget into MUNIS? Concern was raised as to who assures budgets are being properly set up? Committee asked Internal Auditors to change Budget & Staffing to high priority and conduct a review in this area. Additionally, the external auditors were asked to look into this further for current fiscal year prior to completing their audit report.

The committee also agreed that Dave Osborne as the Audit Committee Chair should be the liason to serve on the Budget & Staffing Committee. The 2015 fiscal year audit will be presented to audit committee on November 9th.

The next meeting will be November 9th at 3:00pm, Conference Room A.