



Florida School for the Deaf & the Blind

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MEETING MINUTES

AUDIT COMMITTEE

February 26, 2021 at 9:00 a.m.

Moore Hall CLD-FSDB Campus

St. Augustine, Florida

Call to Order

Mr. Terry Hadley called the meeting of the Audit Committee to order at 9:06 a.m.

Attendance

Present: Mr. Ralph “Terry” Hadley (Chairman), Mr. Owen McCaul, Mr. Matthew Kramer

Board of Trustees: Ms. Pam Siguler (Zoom), Dr. Tom Zavelson

RSM: Ms. Jaime Bardee and Mr. Joseph Nash

FSDB: Ms. Tracie Snow (President)

Ms. Julia Mintzer (Administrator of Business Services)

Mr. John Wester (Comptroller)

Ms. Denise Fernandez (Recording Secretary)

Ms. Katie Bechtold and Mr. Nick McClure (Interpreters)

Approval of Meeting Minutes

The minutes of the October 30, 2020 Audit Committee Meeting were *approved on a motion by Mr. Kramer; seconded by Mr. McCaul.*

Public Comment

None

New Business

Internal Audit Update (RSM): Ms. Bardee provided a status report of the four projects in the 2020-2021 Internal Audit Plan:

- ***Timekeeping Cycle Audit***—Completed walk-through’s with Budgets & Grants, Interpreter Services, and Parent Services departments. Selections have been made and testing will start the week of March 1.
- ***IT Risk Assessment***—Completed the kick-off; developing the scope.
- ***Human Resources***—Completed the kick-off; conducting a walk-through with Executive Director Lexi Bucca the week of March 1.
- ***Financial Statement Advisory***—Completed the final review of statements; responding to the Auditor General’s inquiries.

Deliverables scheduled to be submitted by June 1, 2021.

Endowment - Agreed Upon Procedures Reports (John Wester): Mr. Wester provided an overview of Carr, Riggs, & Ingram’s findings. The endowment auditors tested six procedures: student



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roster/account accuracy, transactions, activity, deposits, additions/deletions, and cash balances among 30 accounts in each of the following categories maintained by the Endowment for FYE2020:

- **Class and Club Accounts**—No exceptions found in each of the six procedures tested.
- **Student Accounts**—No exceptions found in five of the six procedures tested. One exception was found among the transactions. This was the result of mistaking an 8th grader for a high school aged student who is permitted to access funds without a staff authorization signature.

Mr. Hadley lauded the examinations as “remarkable.”

Fraud Hotline Update (Julia Mintzer): Ms. Mintzer advised that reports of fraud amounted to zero. She reminded the Committee that testing of the system is conducted annually and added that staff:

- undergo annual trainings.
- can easily access the form via intranet portal—Classlink—if they chose to lodge a complaint. The completed form is automatically transmitted to RSM.
- have the option to alternatively contact the Inspector General.

Both entities proceed to communicate complaints to management who in turn notifies the Board. Since the inception of the hotline, only one report has been received. The complainant requested a streamlining solution to the excessive publication of parent newsletters. Management took it a step further and shifted to an electronic format, thus eliminating paper copies entirely.

Mr. Hadley commended the president and her team’s efforts for the outcome.

Next Meeting: To be determined when the 2021-2022 BOT meeting dates are established.

Action Items for Consideration

1. Board approval is requested to enter into contract with RSM US, LLP for the 2021-2022 fiscal year to provide internal audit and financial statement services.

	<u>2021-2022</u>	<u>2020-2021</u>
Partner/Director	\$240.00	\$240.00
Manager	\$190.00	\$190.00
Supervisor/Senior	\$160.00	\$160.00
Staff	\$130.00	\$130.00

Approved on a motion by Mr. McCaul; seconded by Mr. Kramer.

2. Board approval is requested for the renewal of the AnswerNet contract for the 2021-2022 fiscal year to provide fraud reporting services at a cost of **\$195.00 per month**. An additional **\$25.00** per monthly service fee shall be applied if the texting feature of the service is utilized. These rates are the same as those applied for the 2020-2021 fiscal year.

Approved on a motion by Mr. Kramer; seconded by Mr. McCaul.



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3. Board approval is requested to enter into contract with Carr, Riggs, & Ingram for the 2021-2022 fiscal year to conduct the Annual Audit of Endowment Funds (Fiscal Year Ending June 30, 2021) and Limited Procedures Engagement (Student Accounts and Student Club/Class Organization Accounts).

	<u>2021-2022</u>	<u>2020-2021</u>
Annual Audit of Endowment Funds:	\$20,000.00	\$20,000.00
Limited Procedures Engagement (Student Accounts):	\$2,500.00	\$2,300.00
Limited Procedures Engagement (Club/Class Org. Accounts):	\$2,500.00	\$2,300.00

Approved on a motion by Mr. McCaul; seconded by Mr. Kramer.

Discussion—The rate increase does not reflect Endowment Fund #2. After examining the account at the end of the 2020-2021 fiscal year, the independent auditors will be better positioned to assess whether a rate adjustment will be warranted by the next contract renewal.

Adjournment

The meeting adjourned at 9:21 a.m. by Mr. Hadley.