

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
AUDIT COMMITTEE
BY-LAWS

ARTICLE I: NAME

The name of this committee shall be the Audit Committee of The School Board of Broward County, Florida.

ARTICLE II: PURPOSE

The general purpose of the Audit Committee is to assist and advise The School Board of Broward County, Florida and its Superintendent in matters pertaining to the fiscal management of the school system.

Section 1. The Audit Committee is advisory in nature. Its recommendations will be provided in writing to The School Board of Broward County, Florida and to the Superintendent. The recommendations and opinions of advisory committees are not binding upon The School Board of Broward County, Florida and do not necessarily reflect the position and opinions of The School Board of Broward County, Florida or of the individual members of the School Board of Broward County, Florida or the Superintendent.

The Audit Committee is empowered to investigate any financial matters which are of concern to the Committee. Additionally, the Audit Committee may be requested by The School Board of Broward County, Florida or the Superintendent to investigate and report on other financial matters.

Section 2. The Superintendent or his/her staff will arrange for clerical services to assist the Audit Committee. All books, records, reports, documents, tapes, minutes and other information, including special analyses requested by the Committee will be promptly provided by the Superintendent or his/her staff.

Section 3. The primary objectives of the Audit Committee include the following listing of duties, which is not intended to be all inclusive, and other duties that may be subsequently added by The School Board of Broward County, Florida:

- a) Review in depth the financial reports prepared by the staff of the Superintendent, Financial Management & Support Services and prepare appropriate commentary to assist The School Board of Broward County, Florida in interpreting these reports.
- b) Review and evaluate the format of financial reports and make recommendations for changes that will enhance the effectiveness of financial reporting.
- c) Participate in the selection of independent auditing/accounting firms, determine areas to be emphasized in the external audits, review proposals by competing firms, prepare appropriate comments for The School Board of Broward County, Florida to consider, and assist in the development of the audit contract with the external firm(s) selected by The School Board of Broward County, Florida.

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- d) Review the Office of the Chief Auditor's plan for the annual audits and make recommendations concerning areas to be emphasized.
- e) Review the independent auditor/accountant's annual management letter recommendations on internal control and accounting procedures, and hold timely meetings with the Superintendent and his/her staff, as needed. Determine which audit findings should be corrected and the time and/or funding required and make appropriate recommendations to the Superintendent and The School Board of Broward County, Florida.
- f) Review all reports from the Chief Auditor of the Office of the Chief Auditor; hold timely meetings with the Superintendent and his/her staff, as needed; discuss any deficiencies noted and ascertain the timeline and action plan as well as any funding required to correct the problem; and make appropriate recommendations or comments to the Superintendent and The School Board of Broward County, Florida.
- g) Periodically evaluate the effectiveness of the Internal Audit Plan from the standpoint of how effectively the Office of the Chief Auditor's available time is being utilized and make appropriate recommendations to the Superintendent and The School Board of Broward County, Florida.
- h) Provide the Superintendent with feedback on the performance of the Chief Auditor and his/her staff.
- i) Monitor corrective action agreed to be taken on internal and external audit recommendations; and advise The School Board of Broward County, Florida of any deviations, the reasons therefore, and the possible consequences.
- j) Review policies and procedures affecting the financial areas and make recommendations to the Superintendent and The School Board of Broward County, Florida as deemed appropriate.
- k) Provide an effective communications link between the external and internal auditors and The School Board of Broward County, Florida.

The responsibilities and duties of the Audit Committee will be in accordance with Florida Statutes and The School Board of Broward County, Florida policies.

ARTICLE III: COMMITTEE MEMBERSHIP

The Committee consists of twelve (12) appointees. The nine (9) members of The School Board of Broward County, Florida each select one (1) appointee. THE SCHOOL BOARD MEMBERS' APPOINTEES TO THE AUDIT COMMITTEE DO NOT NEED TO RESIDE WITHIN THEIR ELECTED DISTRICT. The Superintendent selects one (1) appointee, and the District Advisory Committee (DAC) and the Broward County Council of PTA each select one (1) appointee. Appointees shall be independent* of The School Board of Broward County, Florida. *Not receiving any compensation, including any consulting, advisory or other compensatory fee.

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The Audit Committee shall be representative of the ethnic diversity of the District's student population. In order to satisfy this requirement, the minimum standards for representation shall be as follows:

Section 1. Voting: When a consensus cannot be reached, a vote of the membership will be taken. All members of the Audit Committee shall have one (1) vote each. A voting member must be present to vote. (See Article VI Meetings, Section 9 for official voting rules.) All voting must comply with Sections 286.012 and 112.3143 (3)(a) of Florida Statutes. All members must vote, unless there is a voting conflict. All abstentions require the form for voting conflicts to be completed.

Section 2. Terms of Membership: Members of the Audit Committee should attend meetings on a regular basis. A member will be removed from membership after three (3) consecutive absences or four (4) total absences in one (1) calendar year. Vacancies will be filled as per School Board policies.

Section 3. Length of Term: Board appointees shall be appointed and re-appointed annually until the end of the School Board member's tenure. The two at-large appointees shall serve one (1) year terms, based upon their appointment and reappointment by the DAC and/or the PTA.

The Audit Committee shall annually elect a Chair and Vice Chair. Neither of those offices may be held by a member for more than two (2) consecutive years. After serving as Chair for two (2) years, a member may not serve as an officer of the Audit Committee for a period of at least two (2) years. All members may be reappointed indefinitely.

The following may be used as a guide in selecting the Committee Members: Experienced business persons, accountants, representatives from financial institutions, consultants from management consulting firms (including management consulting divisions of CPA firms), attorneys, internal auditors (from major organizations), data processing professionals, and at-large members from Broward County Council of PTA and District Advisory Council. Committee members selected may have backgrounds different from those listed above.

Section 4. The Office of the Chief Auditor is the assigned staff liaison that is responsible for facilitating the Audit Committee's activities. The Chief Auditor will collaborate with the Audit Committee chairperson to schedule and publicly notice all Committee meetings and shall provide other similar administrative support.

Section 5. Each new member shall receive training on the Audit Committee's history, mission, purpose, and related School Board policy statement(s) from the Office of the Chief Auditor.

Each member of the Audit Committee is required to complete the District's annual training program for School Board-Established Advisory Committees prior to the

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second meeting following their appointment to the Audit Committee. The training will cover the following topics: ethics standards for public officers, The Sunshine Law, public records laws, and Robert Rules of Order. This does not preclude members of the public from attending Audit Committee meetings.

Section 6. Each member shall sign The School Board of Broward County, Florida approved statement which confirms that the member accepts and will abide by proper professional conduct and the Nondiscrimination Policy Statement (4000.1). The statement will also acknowledge that the member has received training by staff on Robert's Rules of Order, Newly Revised, the Florida Sunshine Laws, and School Board of Broward County, Florida policies that affect the Audit Committee.

Section 7. Each member of the Audit Committee is a public officer as defined in Sections 112.313(1) and 112.3143(1), Florida Statutes, and is subject to state ethics requirements and The Sunshine Law. Accordingly, each member of the Audit Committee is required to execute the District's Conflict of Interest form for School Board-Established Advisory Committees prior to serving on any advisory committee.

ARTICLE IV: OFFICERS

Section 1. Officers of the Audit Committee will consist of a Chair and Vice Chair and any other deemed necessary by the members for the function of the Committee.

Section 2. The officers shall be elected annually at the first meeting of the school year.

Section 3. Installation of new officers will be held at the first meeting of the school year.

Section 4. If for any reason an officer is unable to complete the term of office, a new election will be held at the next meeting.

Section 5. Nominating Committee:

- a) To be determined by the Audit Committee.
- b) The Nominating Committee will present a slate of candidates for each office at which time nominations from the floor will be taken.

ARTICLE V: DUTIES OF THE OFFICERS

Section 1. The Chair shall preside at all meetings of the Audit Committee and will be an ex-officio member of all committees except the Nominating Committee. The Chair will prepare an agenda at least seven (7) days in advance for all meetings. A copy of the agenda shall be provided to anyone who requests it. The Vice Chair will assume all duties of the Chair in his/her absence.

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Section 2. The Chair shall present the Audit Committee's areas of focus, goals, objectives, and concerns for the fiscal year as part of the annual presentation of the School Board-approved audit plan.

ARTICLE VI: MEETINGS

The Audit Committee shall meet regularly and the schedule of meetings for the year will be determined at the Committee's first meeting of the school year and published afterwards. Notification of all regular meeting places will be included in the minutes.

Section 1. Guests: All meetings are open to the public under the Florida Sunshine Law; however, nonmembers / guests may not vote on Audit Committee issues.

Section 2. Attendance of members will be kept for all meetings. The Office of the Chief Auditor shall take and keep attendance records.

Section 3. Minutes of all meetings will be recorded by the Office of the Chief Auditor. Approved minutes will be sent to the Audit Committee and kept on file at the Office of the Chief Auditor and posted for public view. Minutes of the previous meeting will be approved at the next meeting, with any additions or corrections noted.

Minutes will reflect all motions (including: maker of the motion, person seconding, and the results of the vote) and any decisions reached by consensus.

Section 4. Special meetings may be called by the Chair or by notice of any three (3) members in writing to the Chair.

Section 5. All scheduled meetings, meeting times, and places will be announced at least one (1) week in advance. Any matter that is scheduled to come before the Audit Committee for a vote requires at least three (3) days advance written notice to all members. Members must be advised of a change in the established date, time or location. All special meetings will require notification.

Section 6. Seven (7) meetings will be scheduled at times and locations convenient for all stakeholders. Meetings shall not be conducted in July without receiving prior approval from the Superintendent, as public participation and staff support for Committee meetings in July will be limited in availability.

Section 7. A quorum is the minimum number of members who must be present at a meeting for business to be conducted and for voting to take place. A majority of the membership of the Audit Committee (50% plus 1) constitutes a quorum.

Section 8. Meetings will follow the approved agenda. Each item on the agenda will be discussed to the satisfaction of the members present. Meeting discussions will be restricted to those topics on the agenda.

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Section 9. Voting will be by roll call. Official votes will become part of the minutes. Alternates and proxy votes are not permitted (per Florida's Sunshine Law).

ARTICLE VII: COMMITTEES

The Chair shall create such committees as may be required by School Board policies to promote the objectives of the Committee.

ARTICLE VIII: AMENDMENTS

Section 1. Amendments to the By-Laws must conform with Florida Statutes and The School Board of Broward County, Florida policies.

Section 2. Amendments to the By-Laws will be approved by a majority of the Audit Committee members. By-Laws will be reviewed every two years or at such time that legislation or The School Board of Broward County, Florida action occurs that would require a review or there is an amended By-Laws Template created by the District.

Section 3. All By-Laws and subsequent change(s) shall require The School Board of Broward County, Florida approval prior to being implemented by the Audit Committee.

These By-Laws are based on the approved District By-Laws template for use by all committees/councils that have School Board Member appointees and Exceptional Student Education, English for Speakers of Other Languages, Area Advisories, and School Advisory Forums.

Ratified _____
Date

Amended _____
Date