

The School Board of Broward County, Florida
AUDIT COMMITTEE

MINUTES OF AUDIT COMMITTEE MEETING

October 11, 2018

Mr. Moses Barnes, Audit Committee Chair, called the Audit Committee meeting to Order at 12:33 P.M. at the Kathleen C. Wright Building in the 1st Floor Board Room. Members and Staff were introduced.

Members Present:

Mr. Moses Barnes, Chair
Mr. Robert Mayersohn, Vice Chair
Mr. Brendan Aloysius Barry, Esq
Ms. Rebecca Dahl
Mr. Anthony De Meo, CPA
Ms. Mary Fertig
Ms. Stacey Kotzen
Dr. Nathalie Lynch-Walsh
Mr. Andrew R. Medvin, CPA

Staff Present:

Mr. Robert Runcie, Superintendent of Schools
Mr. Jeff Moquin, Chief of Staff
Mr. Robert Vignola, Office of General Counsel
Mr. Joris Jabouin, Chief Auditor, Office of the Chief Auditor (OCA)
Ms. Judith Marte, Chief Financial Officer, Office of the Chief Financial Officer
Dr. Valerie Wanza, Chief Officer, Office of School Performance and Accountability
Mr. Maurice Woods, Chief Strategy & Operations Officer, Office of the Strategy & Operations Officer
Ms. Mary Coker, Director, Procurement & Warehousing Services
Ms. Shernette Grant, Director, Innovative Programs
Ms. Ali Arcese, Manager, Property and Inventory Audits, OCA
Ms. Ann Conway, Manager, Internal Funds Audits, OCA
Mr. Gerardo Usallan, Manager, Operational Audits, OCA
Ms. Megan Gonzalez, Confidential Clerk Specialist B, OCA
Ms. Michele Marquardt, Confidential Department Secretary, OCA
Mr. Jonathan Tolentino, Confidential Clerk Specialist C, OCA

Guests Present:

Ms. Tanya Davis, Partner, S. Davis & Associates, P.A.

A motion was made by Mr. Mayersohn and seconded by Mr. Medvin to approve the Agenda for the current meeting. Motion carried.

Old Business

Follow Up Discussion: Internal Audit Report – Current Status Updates of the Audit of Termite Extermination Contracts No. 15-109T and No. 28-137T

Mr. Jabouin spoke about the follow up to this audit that originated in 2016. Mr. Jabouin met with Mr. Bobadilla, Chief Facilities Officer, to review. Mr. Jabouin discussed new procedures and controls that the District has put in place. An additional follow-up discussion will occur at the next Audit Committee meeting on November 15, 2018 since testing is ongoing. Please see the attached transcript for the detailed discussion.

Follow Up Discussion: Internal Audit Report – Audit of Asphalt Paving and Athletic Track Maintenance, Resurfacing and Striping Contracts

Mr. Jabouin discussed this audit that was previously presented to the Audit Committee in May, 2017. There are four issues regarding this audit. Mr. Jabouin met with Mr. Bobadilla on this audit as well. As with the previous audit, an additional follow-up discussion will occur at the next Audit Committee meeting on November 15, 2018 since testing is ongoing. Please see the attached transcript for the detailed discussion.

New Business

Minutes

Mr. Barnes made a request for any corrections to the Minutes of the August 9, 2018 Audit Committee Meeting. There was a lengthy discussion regarding the preparation of the minutes. It was brought up that some Committee members thought the minutes should be condensed, and others like the verbatim minutes in order to look back at discussion at the meetings. Mr. Jabouin will work on a compromise of minutes going forward and present them at the next meeting. Ms. Fertig had a few corrections she wanted to see made to the current minutes being present. Mr. Medvin motioned to approve the minutes for the August 9, 2018 meeting as printed with the noted corrections from Ms. Fertig and seconded by Mr. Mayersohn. The motion passed.

Introduction of Judith Marte, Chief Financial Officer

Mr. Jabouin introduced Ms. Marte, CFO. Ms. Marte spoke and discussed her prior work experiences. She most recently came to the District from Miami Dade County Public Schools where she worked as the CFO for four years.

Audit Committee / Office of the Chief Auditor Governing Documents

Audit Committee By-Laws, School Board Policy 1.7, School Board Policy 1002.1, Audit Committee By-Laws (Black Lined Proposed Changes). Mr. Jabouin, Mr. Vignola, Office of the General Counsel, and the Audit Committee discussed the black-line By-Laws document presented. It was determined that Mr. Jabouin would consider all the input and forward another black-lined version to the Committee prior to the next Audit Committee meeting. Then, a final version would be presented at the next meeting.

Discussion regarding the general practice when a member of the Audit Committee has a concern that they direct it to the Chief Auditor, who will then assess where it best needs to be directed. Please see minute transcript for detailed discussion.

The Committee discussed the required ethics training and forms. It was agreed that Mr. Jabouin would send the link to the Committee members and work with staff to ensure that the website works.

Chief Auditor's Report

Mr. Jabouin discussed the progress of hiring the Facilities Audit Manager, and he made his recommendation to Human Resources for that position. He discussed other open positions within the department. He hired his Assistant, Michele Marquardt. The two Inventory Audit Specialist positions are currently being recruited. Mr. Jabouin discussed the hiring of Shaun Davis' firm to assist with the Internal Funds audits. Mr. Jabouin also discussed other significant audit initiatives that will be done during the school year such as the strategy for auditing, Student Code of Conduct and the District's discipline policies. Mr. Jabouin is reviewing and will have recommendations at the Board Workshop regarding the headcount and expectations of the department.

Internal Audit Report – Audit of the Internal Funds of Selected Schools

Thirty-two schools were reviewed with no exceptions. Mr. Mayersohn motioned to transmit. Mr. Barry seconded the motion. Motion passed.

Internal Audit Report – Property and Inventory Audits of Selected Locations

A total of 14 locations were audited, eleven schools and three departments. There were no exceptions. Mr. Jabouin spoke about evaluating the District's property and inventory process as the OCA typically audits 70 locations of the 404 department/schools within the District overall. As recommendations are made while assessments for headcount are evaluated, he will be looking at the process. Motion to transmit, seconded by Mr. Mayersohn. Motion passed.

Mr. Barnes requested a motion to adjourn. Motion made and seconded. Motion carried.

Meeting Adjourned: 2:27 P.M.