

# THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

817 Bill Beck Boulevard • Kissimmee\* Florida 34744-4492  
Phone: 407-870-4600 • Fax: 407-870-4010 • [www.osceolaschools.net](http://www.osceolaschools.net)

## SCHOOL BOARD MEMBERS

- District 1 - Teresa "Terry" Castillo  
407-577-5022
- District 2 - Kelvin Soto - Vice Chair  
407-870-4009
- District 3 - Tim Weisheyer  
407-361-0235
- District 4- Clarence Thacker-Chair  
407-870-4009
- District 5 - Ricky Booth  
407-870-4009

Superintendent of Schools  
Dr. Debra P. Pace



## AGENDA

**Audit Advisory Committee Meeting**  
**Bill Collins Conference Room**  
**Administrative Complex**  
**817 Bill Beck Boulevard**  
**Kissimmee, FL 34744**

**Tuesday, November 5, 2019**  
**2:00 P.M.**

1. Welcome
2. New Member Introduction
  - a. Review School Board Rule 2.29
  - b. Election of Vice Chair
  - c. Sunshine Law
3. Approve March 14, 2019 Meeting Minutes
4. Risk Assessment and Internal Audit Plan
5. Review Completed Audits. These audits can be found in the following links:
  - a. Avant Garde Charter - Follow Up
  - b. St Cloud Preparatory Academy  
[https://www.osceolaschools.net/departinents/businessfiscalservices/audits/sDecial reviews](https://www.osceolaschools.net/departinents/businessfiscalservices/audits/sDecial%20reviews)
  - c. Charter School Audits  
[httpDs://www.osceolaschools.net/deDartments/businessfiscalservices/audits/charter school audits](httpDs://www.osceolaschools.net/deDartments/businessfiscalservices/audits/charter%20school%20audits)
6. Audit Contract Extensions
  - a. CAFR
  - b. Internal Accounts
7. Set date for next meeting

**AUDIT ADVISORY COMMITTEE MEMBERS**

Community Members	County of Residence	Appointed By	Brd Appryd Appt.	<b>Term Expiration</b>
James Mantia	Osceola	Teresa Castillo	11/13/18	11/15/22
Gerald (Jerry) T. Kelley	Osceola	Tim Weisheyer	01/29/17	11/15/20
Grant La certe	Osceola	Kelvin Soto	10/15/19	11/15/20
Lori Giambrone	Osceola	Ricky Booth	01/16/18	11/15/22
Bryana Conners	Osceola	Clarence Thacker	11/13/18	11/15/22
***Four must be Osceola Residents				
School Board Chairman/Appointee				
Clarence Thacker	N/A	N/A		N/A
<u>CPA Member</u>				
Harry J. Swart	Osceola	Tim Weisheyer	1/16/2018	1/16/2022

**Audit Advisory Committee Minutes**  
**March 14, 2019**

**Members Present:** Lisa Lynch, Harry Swart, Lori Giambrone, Gerald Kelley, James Mantia, Bryana Connors and Clarence Thacker

**Members Absent:** Chris Mack

**Others/Guests:** Sarah Graber and Carmen Morales

- **Call to Order**

Mr. Kelley called the meeting to order at 3:28p.m.

- **Approve Minutes from January 24,2019**

The minutes were approved with all ayes.

- **Internal Audit Function**

Mrs. Lynch explained the new requirements for an internal audit function that will become effective July 1, 2019. She discussed two options for providing an internal audit function:

1. Hire an internal auditor in-house
2. Contract with an outside CPA firm

Ms. Graber explained that staff conducted a survey to see what other districts are doing which resulted in four different scenarios:

1. In-house internal audit function including personnel such as a director, staff auditors and admin assistant.
2. Inspector General position that handles both the annual school internal account audits and performance audits.
3. Neither an in-house internal audit function nor contract with a CPA Firm.
4. Outsource internal accounts and use the same CPA firm for any internal audits on an as needed basis.

Ms. Lynch discussed benefits of outsourcing an internal audit function vs. hiring an in-house internal auditor:

1. A CPA firm provides an extensive knowledge base due to the number of auditors on-hand and their expertise
2. A CPA firm can perform a variety of operational/performance audits
3. A CPA firm can be used on an “as needed basis”
4. The District can save on employee benefit costs by employing an outside CPA firm

Staff made a recommendation to contract with RSM for the district’s Internal Audit function based on their high level of expertise, our survey of other districts, and RSM’s current working relationship with Brevard County Public Schools. RSM has offered to let us use the same terms and pricing as Brevard. Sarah mentioned that internal audit services do not require an RFP and recommended that the district contract with RSM independently rather than piggybacking off of Brevard.

A motion was made to contract with RSM and approved with all ayes.

- **Set Date of Next Meeting**

Next meeting date - TBD

Meeting was adjourned at 3:47p.m.

## CHAPTER 2.00 - SCHOOL BOARD GOVERNANCE AND ORGANIZATION

### AUDIT ADVISORY COMMITTEE 2.29

- I. The Board has created an Audit Advisory Committee, which reports to the Board, and shall perform the duties listed below. The Committee shall be governed by rules and procedures set forth in this section.
- II. Purpose, Responsibility, and Organization
  - A. The purpose of the Committee is to:
    1. Assist the School Board in selecting an auditor to conduct the annual financial audit as described in Section 218.391, Florida Statutes.
    2. Review findings and management responses in audit reports of Board operations and provide advice and recommendations to the Board for correcting deficiencies.
    3. Provide advice and recommendations to the School Board on initiatives to improve operational efficiencies in order to incorporate business experience and best practices in action plans.
  - B. The Committee will be comprised of:
    1. Five (5) community appointees
    2. The School Board Chair or the School Board Chair's designation of another School Board Member
    3. A Florida licensed Certified Public Accountant (identified hereinafter as the "CPA Member")

The five (5) community appointees shall be recommended, one (1) by each member of the Board, and approved by the Board. All five (5) members of the Audit Advisory Committee shall be residents of Osceola County. The terms of the community members approved by the Board shall be four (4) years, concurrent with the terms of their respective Board members. The School Board Chair shall serve as an ex-officio member and be a voting member of the Committee. The Committee Chair shall be either the School Board Chair or the School Board Chair's designation of another School Board Member. The CPA Member shall be a Florida licensed Certified Public Accountant in good standing, and may reside in any county in the State of Florida. The nomination of the CPA Member may be made by any School Board Member, the Chief Business and Finance Officer of the School District, or the Superintendent of Schools. If more than one qualified

## **CHAPTER 2.00 - SCHOOL BOARD GOVERNANCE AND ORGANIZATION**

CPA Member is nominated to serve on the committee, then the School Board by majority vote of quorum present shall decide the CPA Member who shall serve. The CPA Member shall serve a term in office of four (4) years, and the term shall run regardless of the term of any School Board Member. The CPA Member, and his or her firm or business, may not perform any accounting or audit work for the School Board or School District of Osceola County, for any form of compensation during such time that the CPA Member serves on the Audit Advisory Committee. This rule does not preclude any one or more of the five community appointees from also being certified public accountants, but in such event the CPA and his firm will be precluded from providing audit or accounting services to the same extent as the CPA Member is precluded. All committee members serve in a voluntary capacity. Any committee member may be removed by majority vote of the School Board.

In accordance with §112.313, Florida Statutes, and pertinent opinions of the Florida Commission on Ethics, voting Committee members and any business entities in which such members have a direct financial interest will not do business with the district during such members' terms. If it is determined that a voting Committee member has a conflict of interest, then an exception can be submitted from the Committee, for consideration of approval or removal by the majority vote of the School Board.

The Superintendent, Chief Business and Finance Officer, and Director of Finance will be invited to all meetings and will be included in all communications of the Committee.

The Board will provide adequate support to the Committee to discharge its responsibilities. Committee activities shall be reported to the Board on a regular basis.

### **III. Meetings**

The Committee shall meet at least two (2) times per year. Four (4) voting members will constitute a quorum at all meetings. In the case of special circumstances, the Committee Chair or a majority of the Committee members may call special meetings as required with proper notice. Committee meetings are to be conducted under the Robert's Rules or Order, and in addition, all committee and subcommittee meetings are governed by the Sunshine Law as required by Florida law.

**CHAPTER 2.00 - SCHOOL BOARD GOVERNANCE AND ORGANIZATION**

**STATUTORY AUTHORITY:** 218.391,1001.41,1001.42,1001.43, F.S.

**LAW(S) IMPLEMENTED:** 286.011,1001.41,1001.42, F.S.,  
GAO Government Auditing Standards

**HISTORY:** REVISED: 02/05/08, 08/25/09, 04/20/10, 05/01/12, 08/20/19  
ADOPTED: 05/01/07  
FORMERLY: NEW

Summary of Findings for 2012-13 Charter School Audits

			Audit Findings									
No	School Name	Auditor Name	No Audit Findings	Financial Reporting	Deteriorating Financial Condition	Financial Audit	Going Concern	Capital Assets Recon	Use of Debit Card	Cash Deposits	Disbursements	Total Findings
1	Avant Garde Academy	Gardner & Assoc, P-A. CPAs		x		x						2
2	Avant Garde Academy K8	Gardner & Assoc, P.A. CPAs				x						2
3	Bella Lago Charter Academy	Moss, Krusick & Associates CPAs and Advisors	x									
4	Bridgeprep Academy of Osceola Charter School	Verdeja,De Armas-Trujillo. CPA and Advisors	x									
5	Canoe Creek Charter Academy	Moss, Krusick & Associates CPAs and Advisors	x									
	Florida Cyber Charter Academy	King & Walker, CPAs. PL	x									
7	Four Corners Charter	Moss, Krusick & Associates CPAs and Advisors	x									
8	Four Corners Upper	Keefe McCullough CPAs and Trusted Advisors	x									
9	Kissimmee Charter Academy	King & Walker, CPAs, PL	x									
10	Linc1n«Marti Charter Schools	Morrison Brown Argii & Farra, LLC	x									
11	Mam Street High School	Keefe McCullough CPAs and Trusted Advisors	x									
12	Mater Brighton Lakes Academy	HLB Gravier, LLP, CPAs	x									
13	Mater Palms Academy	HLB Gravier, LLP, CPAs						x		x		3
14	Mater Academy St. Cloud	HLB Gravier, LLP, CPAs							x	x		2
15	New Dimensions High School	Schafer, Tschopp, Whitcomb, Mitchell & Sheridan, LLP, CPA	x									
16	Osceola Science Charter School	King & Walker, CPAs, PL	x									
17	P.M. Wells Charter Academy	Moss, Krusick & Associates CPAs and Advisors	x									
18	Renaissance Charter School at Boggy Creek	Keefe McCullough CPAs and Trusted Advisors	x									
19	Renaissance Charter School at Poinciana	Keefe McCullough CPAs and Trusted Advisors	x									
20	Renaissance Charter School at Tapestry	Keefe McCullough CPAs and Trusted Advisors	x									
21	Sports leadership Arts Management	HLB Gravier, LLP, CPAs	x									
22	St. Cloud Preparatory Academy	Moss, Krusick & Associates CPAs and Advisors	x									
23	Flonda Aviation Academy/Trade Logistics	Moss, Krusick & Associates CPAs and Advisors					x		x	x		4
24	UCP	Schafer, Tschopp, Whitcomb, Mitchell & Sheridan, LLP, CPA	x									
Total			19	1	1	2	1	1	1	3	3	13

Finding Description:

**Financial Reporting:** Audit adjustment to revenue in conformity with GAAP, material weakness/significant deficiencies.

**Financial Audit:** Late lease payments, negative net cash position, non-compliance with district agreements, conflict of interest and related party transactions, lack of controls over check payments, etc.

**Going Concern:** Violation of the charter agreement, etc.

**Capital Assets Recon:** The school does not have a formal process for reconciling the capital asset inventory reports to the capital assets of the schools trial balance.

**Use of Debit Card:** Cards used for non-business related transactions.

**Cash Deposits:** Internal accounts deposits summaries did not agree with deposit receipts, unreconciled difference, and missing supporting documents.

**Disbursements:** Missing supporting documents, PO issued after invoice, and school personnel did not follow disbursement policies and procedures consistently.

# MEETING SIGN-IN SHEET

**Audit  
Advisory  
Committee**

**Meeting Date:** 11/05/2019

**Facilitator:** *Clarence Thacker*

**Place/Room:** Bill Collins Conference Room

Name	Signature
Bryana Connors	<i>BMC</i>
Grant Casch	<i>Grant Casch</i>
Debra Pecc	<i>Debra Pecc</i>
Hori Gray	<i>Hori Gray</i>
Randy Shumoz	<i>Randy Shumoz</i>
GERALD KELLEY	<i>Gerald Kelley</i>
Frank Kruppelhuber	<i>Frank Kruppelhuber</i>
HARRY SWART	<i>Harry Swart</i>
<i>Sarah Grober</i>	<i>Sarah Grober</i>
<i>Fuling Liu</i>	<i>Fuling Liu</i>
PETER THORNE	<i>Peter Thorne</i>
<i>Kelsey Feliprada</i>	<i>Kelsey Feliprada</i>
Carmen J. Balgobin	<i>Carmen J. Balgobin</i>
Clarence Thacker	<i>Clarence Thacker</i>
Tammy Cope-Otterson	<i>Tammy Cope-Otterson</i>
Laura Mantave	<i>Laura Mantave</i>
Jose Gonzalez	<i>Jose Gonzalez</i>
Carmen M.	<i>Carmen Morales</i>



# Meeting Sign-In Sheet

**Audit  
Advisory  
Committee**

**Meeting Date:**

11/05/2019

**Facilitator:** Clarence Thacker

**Place/Room:**

Bill Collins Conference  
Room

Name		Signature
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