

**The Escambia County School District  
Audit Planning and Review Committee Meeting  
Minutes, April 10, 2000**

- I. The meeting of the Audit Planning and Review Committee was called to order by Dr. Richard Calvasina, Chairman at 12:48 p.m. in Conference Room 124 of the Escambia County School District, 215 West Garden Street, Pensacola, Florida 32501. In addition to Dr. Richard Calvasina, Committee Chair, committee members in attendance were Angela Sheffield, Karen Pope, and Shelly Blake. Others in attendance were Superintendent Jim May, Dr. Clarence Ladner, Associate Superintendent, Patricia Wascom, Assistant Superintendent for Finance, and Susan Reed, recording secretary.
- II. The agenda was adopted
- III. Following brief introductions of those in attendance, Superintendent May gave a brief background of the District being the largest between here and Jacksonville with over 6,000 employees who supervise and provide many services. He also mentioned the large and expensive task of transporting students. He continued by giving specifics on loss in funding associated with Matrix (FTE). With the loss of FTE funding for 500 students, which equates to about 9 students per school, schools still need the same number of teachers, staff, and facilities therefore the funds still have to be provided from the budget. In addition to this added expense, the District will need to hire someone to handle permits in conjunction with building projects.

Next, Mr. May discussed the search for a person to be added to Finance to handle the Sales Tax Abatement that would help save the District money. They could not ask any more of a department which was already overworked. They found that person in Auditing. With no relief and the need to save money with budget cutbacks of a million dollars, there would be no hiring of new people. He also stated that almost every school got less staffing.

Mrs. Wascom added that other than the Sales Tax Abatement that the auditor would have other added duties including those transferred from the Auditing Department. She also stated that it was her understanding that the transfer of duties usually meant the transfer of a person.

Dr. Calvasina stated that the loss of an auditor would increase the burden on Auditing.

Ms. Wascom stated that she had talked to Mr. Scallan about her experience with Risk Assessment. She explained that she knows there are legally required audits that have to be done and other audits are done based on time available.

Mr. May pointed out that the greatest savings question was the sales tax abatement and Dr. Ladner added that at their pilot program at ESEAL there had been savings of \$28,000. With an increase of 30% in the square footage of the District this year, there could be a large savings of about 2% with the sales tax abatement.

Mr. May stated concern over the expanding of the audit function. Contractors are calling saying adding clauses to contracts would add costs to the District.

Dr. Calvasina mentioned the committee meeting that Dr. Epperson had participated in on the addition of an Audit Clause to contracts and explained that the contractor that had also been present at the meeting had said he did business with University of West Florida. The University has audit clauses in all their contracts.

Mr. May voiced concern with how the clause was written. He has received calls from contractors with concerns. He doesn't want the cost of contracts to go up. Bid contracts vary in dollar amounts and he did not see need to have audit clauses in ones with a small dollar value.

Dr. Calvasina gave definition and purpose of audit clause and agreed that it was not needed for little stuff but was for larger. Angie Sheffield agreed should not be used for small amounts.

Mr. May stated he was more interested in results of some specific programs.

Mrs. Wascom specific areas of services relating to participants reference Purchasing are covered by checks and balances. Have a fear of audit clause as it may affect costs of services or keep the best from providing service.

Angie Sheffield stated that the intent was to put the clause where risk was warranted and you don't audit everything with a clause in it. She also said she was concerned with the way the Auditing Department was viewed. If management after case concerning clause was presented make the decision they don't want it then ok.

Dr. Ladner stated that anytime there is a change order that there was a right to audit, that Cook has been audited. He and Mr. Scallan had discussed a proactive approach to save dollars by finding and correcting potential problems through auditing.

Patricia voiced a need to build trust between all different facets of the district.

The committee discussed need to regroup prior to Board Workshop and need to meet with Mr. Scallan .

