

The Escambia County School District
Audit Committee Meeting
Minutes, July 13, 2006

- I. The Audit Committee was called to order by Mr. Bill Cox, elected as Interim Chair for the July 13, 2006 meeting, at 1:00 p.m. in Conference Room B of the Vernon McDaniel Building, 215 West Garden Street, Pensacola, Florida 32502. Other committee members in attendance were: Jennifer King and Virginia Yeagle. Those also present were: David Bryant, Interim Director, Internal Auditing and Susan Reed, recording the minutes. Mr. Lee was not in attendance.
- II. The Committee adopted the agenda.
- III. There was no public input.
- Mr. Bryant excused himself from the meeting since he was one of the applicants to be interviewed.
- IV. The Committee discussed the interview process. Each committee member would ask two questions with Mr. Cox following up with application specific questions for clarification.
- V. The Committee interviewed three applicants as follows:
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|----|-----------------|------|
| 1. | Henry Schmid | 1:15 |
| 2. | Ilonka Washburn | 2:15 |
| 3. | David Bryant | 3:15 |
- VI. Once the Committee members made their individual selection, Mr. Cox filled out the official score sheet noting all members' selections. Mr. Bryant was the Committee's unanimous choice for recommendation to the Board for the new Internal Auditing Director.

A motion was made by Virginia Yeagle, seconded by Jenny King and passed unanimously to recommend Mr. Bryant to the Board as the Committee's unanimous choice for the Director of Internal Auditing.

Mr. Bryant was asked to return to the meeting and was informed as to the Committee's decision. They congratulated Mr. Bryant, shared their concerns, expressed their willingness to be more proactive and encouraged Mr. Bryant to solicit their help when needed. The Committee agreed a letter should be sent to the Board Chair recommending the approval of David Bryant as the new Internal Auditing Director. Mr. Cox stated he would be available to attend the Board Workshop the following day to deliver the recommendation. In addition, the Committee asked that letters be sent to the other candidates not selected for the position.

The Committee agreed there was an urgent need to hire two new auditors. They expressed their desire to be a part of that process. The Committee agreed Mr. Bryant should do a letter requesting advertisement for the two auditor positions as soon as possible. With the placement of the auditors under the Board, they asked Mr. Bryant to look into proper procedures for interviewing applicants for those positions.

The Committee discussed with Mr. Bryant his thoughts on the direction of the Internal Auditing Department. In addition, they discussed possible solutions to the Segregation of Duties problem and agreed the department should be more involved with the reports of Ethics/Fraud violations.

Mr. Bryant reviewed past procedures for seeking a new Audit Committee Chair and reminded members that Charter changes would require advertisement and approval by the Board. In addition, the possibility of the fifth committee member being selected by another professional group was discussed. It was also suggested to have a Vice-Chair who could run meetings in the absence of the Chair, which would also require a change to the Charter.

Mr. Bryant gave a brief review of his changes to the Internal Funds Audit report.

- VII. There were no announcements.
- VIII. The date for the next meeting was not set.
- IX Mr. Cox adjourned the meeting at 4:33 p.m.

Secretary

Chairman

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