

**Orange County Public Schools
Audit Advisory Committee
Minutes of Meeting June 9, 2020**

Chair Roth called the meeting to order at 2:31 p.m. Committee member Tammy Campbell was present with School Board Internal Auditor Linda Lindsey. Chair Roth, members Dan Williams and Kay Redlich, and ex-officio members Teresa Jacobs and Amy Envall attended by WebEx. Scott Funston was unable to attend.

Approval of Minutes

Minutes of the meeting of March 24, 2020 were approved.

Update on Entity-wide Risk Assessment Process

Ms. Lindsey reported that all risk registers have been received. The compiled risk register was discussed at the Superintendent's cabinet meeting last Monday, June 1. Some revisions to that risk register are occurring as a result of the discussion. Ms. Lindsey is coordinating the responses as part of her facilitation duties. Once updated, the Superintendent will work with her cabinet to address the risks through the risk treatment plans documented in the risk register.

Audit Risk Assessment and Proposed Audit Plan

The Committee referred to the Risk Assessment Report which was provided in their agenda materials. This document describes the process used to conduct the district and audit risk assessments.

Chair Roth reported to the committee about her detailed review of the audit risk assessment and asked Ms. Lindsey to present it to the committee. Ms. Lindsey reviewed the proposed annual audit plan that was developed from the audit risk assessment. Ms. Lindsey pointed out the highlighted risk items that were ranked as Very High or High in management's risk register and have been included in the audit risk assessment and proposed audit plan.

Mr. Williams asked whether all of management's Very High or High risk items were included in the plan. Ms. Lindsey responded no because some of management's risks are not part of the audit universe. Mr. Williams also asked whether the risk assessment included any considerations around the current national issues of equity and fair treatment of all persons. Ms. Lindsey indicated that the proposed audit plan did not include audits associated with these types of risks. School Board Chair Jacobs noted that discipline matters are the most likely area to be impacted by this type of risk. She stated that the School Board recently discussed discontinuing capacity enhancement

agreements and that is likely to happen. In that circumstance, an audit of that function would not be of great value to the district. Consequent committee member discussion lead to a consensus to substitute an audit of student discipline for the proposed audit of capacity enhancement agreements.

Committee members asked further questions and after a brief discussion voted to approve the proposed audit plan with the revision to delete capacity enhancement agreements and add student discipline and recommend its approval to the School Board.

CAE Goals

Ms. Lindsey reported that her primary focus in the next few months is to work on team synergy and productivity as we transition back to working in the office and should any future remote work arrangements be necessary. She also plans to explore additional functionality and features of the MK Insight audit management software the department uses. The committee members expressed agreement and support of these goals.

CAE Report

iCMS Audit:

Ms. Lindsey reported that the iCMS audit included in the current year audit plan is being folded into the audit of third party relationships. iCMS is a cloud-based system used by the Human Resources Department for job applicants and hiring. These are the types of contracts included in the third party relationships audit, so it makes sense to address iCMS in that audit instead of separately. The committee members concurred with this approach.

Audit Status Report and Follow-up Status Reports:

Ms. Lindsey asked if there were any questions on the reports. There were none.

Internal Audit Annual Report:

Ms. Lindsey asked for the committee members' input on the department's annual report which is currently being drafted.

Summer Work Schedule:

Ms. Lindsey reminded the committee members that our summer work schedule will commence this week with extra hours being offered Monday-Thursday and offices closed on Fridays.

The meeting was adjourned at 3:21 p.m.

The next regular meeting will be August 25, 2020 at 8:00 a.m.