



Duval County Public Schools

July 18, 2017, Audit Committee Meeting

Ms. Paula D. Wright, Chairman
Ms. Ashley Smith Juarez, Vice-Chairman
Ms. Becki Couch
Ms. Cheryl Grymes
Ms. Lori Hershey
Mr. Warren A. Jones
Mr. Scott Shine
Dr. Nikolai Vitti, Superintendent

ATTENDANCE AT THIS MEETING OF THE DUVAL COUNTY SCHOOL BOARD: All Board Members were present. Dr. Patricia S. Willis, Superintendent, and Ms. Karen Chastain, Office of General Counsel, were also present.

Call Meeting To Order

[CALL MEETING TO ORDER](#)

Minutes: The meeting was called to order at 9:13 a.m.

Items To Be Discussed

[AUDITOR GENERAL AUDIT](#)

Minutes:

AUDITOR GENERAL AUDIT

Dana Kriznar, Chief of Staff, gave an overview of the District Audits (see attached). Discussion included the following:

Board Member Grymes arrived at 9:17 a.m.

- There was a total of \$167,984 for teacher certification. The majority of the amount was for one ESE teacher.

Board Member Jones arrived at 9:26 a.m.

- Audit Plans are informative, allows corrections of areas and the ability to learn. Audits contain a financial penalty.
- Coaching staff, umpires, and referees are some of the individuals who receive a 1099.
- Vice-Chairman Smith Juarez requested information on why there are no international trips for students. The Superintendent will follow-up with the Board.
- Board Member Shine requested details on how the penalty of \$300,000 is paid. Staff will follow-up and bring back to the Board. He suggested budgeting for the audit findings and adding in average yearly to the budget.
- Board Member Couch asked how many teachers did not complete the requirements for the general knowledge test for 2016-2017. Sonita Young, Assistant Superintendent of Human Resources, stated they are in the process of notifying teachers. Roughly 100 but she will confirm. She believes it will continue to be an audit finding as the process continues to change due to a state-wide impact on the standards.
- Vice-Chairman Smith Juarez requested to align performance and performance evaluations to teachers who have not passed the general knowledge test. Staff will provide the data.
- Vice-Chairman Smith Juarez stated moving forward we should consider a legislative platform regarding the requirements for teacher certification and if they are correlating with the success in the classroom. Consider talking to the State on what certification should look like and what credentials teachers need to be successful.
- Chairman Wright requested the teacher certification data be placed in a report format to include the requests of Board Member Couch and Vice-Chairman Smith Juarez. The Superintendent will send the information to the Board.
- The Superintendent agrees with a legislative platform. General knowledge testing will continue to be an ongoing problem.
- Lee Legutko, Acting Chief Financial Officer (CFO), stated the fee for charter schools who incur an audit finding relies on the District and the District has to work with the Department of Education to receive funds. If the charter school is closed, there are no monies received.
- Chairman Wright asked when the \$3,300,000 audit finding for Ad Valorem Taxation needs to be paid. The Superintendent stated that there was an adjustment from the General Fund back to the Capital Fund and those dollars have been replaced.
- Vice-Chairman Smith Juarez asked if all the findings have been rectified regarding the budget and if those dollars have been identified. Moving forward, have we done what we could to avoid

repeat findings. Dr. Kriznar stated there is a plan for all the audit findings. Corrective actions have been and will be implemented at the start of the 2017-2018 school year.

- Mr. Legutko stated audits are usually completed at the mid to end of the year. There could be a two-year time period before you can see the change in practices.
- Vice-Chairman Wright requested to have a list of the findings that were previously on the audit but have been corrected. She suggested having a contingency for audit findings. The Superintendent will forward the information to the Board.
- Mr. Legutko stated the Auditor General's office conducts various audits. When there is a special audit and if there is a finding, they will do an adjustment at the State level and funds can come out of the allocation for that year, for example an FTE audit. They also can make direction to the District to create journal entries moving monies from the General Fund to Title I. Depending on the audit and the time of year dictates how the State will handle audit findings. He agrees that a smart business practice would be to set money aside. He would suggest an average and have it allocated.
- Board Member Shine stated the \$3,000,000 capital dollars that went to employees to work on capital projects and was not appropriate, if a contractor were hired would the dollars have to be paid back. Dr. Kriznar stated no, if it were done correctly. Board Member Shine expressed concerns with hiring a contractor and pushing the labor to private firms as being appropriate.
- Chairman Wright stated moving forward there needs to be a contingency plan for audit and FTE findings.
- Board Member Couch suggested with the 5% reserve can there be specification for those audits. Mr. Legutko stated there is only a 3% requirement with the 2% will give the option to specify for the audit findings.
- Chairman Wright recommended Board Members meet with the CFO monthly for 30 minutes.

Adjournment

[ADJOURNMENT](#)

Minutes:

The meeting was adjourned at 10:09 a.m.

NS

Superintendent

Chairman