

**Leon County Research and Development Authority  
Audit Committee Meeting**

Collins Building  
2051 East Paul Dirac Drive  
Tallahassee, FL 32310

Thursday, November 2, 2023  
10:00am to 11:00am

Wi-Fi: INVP – Guest  
Innovate2051

**Agenda**

*Anyone wishing to submit written comments may do so by 9:00am the day before the scheduled meeting date so that the comments can be distributed to the Committee. Comments submitted after this time (up to the time of the meeting) will be accepted and included in the official record of the meeting. Email comments to: [publicinput@inn-park.com](mailto:publicinput@inn-park.com) and reference the meeting title and date in the subject line. Include your name and contact information. All times are approximate.*

**1. Call to Order**

**2. Introduction of Guests**

**3. Approval of Participation by Electronic Means (if needed)**

*In accordance with the Bylaws, there being a quorum of members present in person, the members of the Committee present in person are required to approve participation by those participating via Electronic Means acknowledging that the absence is due to extraordinary circumstances.*

**4. Agenda Modifications**

**5. Public Comment**

*Any public comment received prior to the meeting will be provided to the Committee members in addition to any in-person public comment.*

**6. Approval of the March 9, 2023, Audit Committee meeting minutes (Attachment A)**

**7. Review of Audit Committee Charter (Attachment B)**

*Review of audit committee role and responsibilities.*

**8. Audit Planning Discussion**

*Discussion of prior audit problems (if any), the audit schedule, any changes in operations and procedures, special audit risks, potential issues identified by accounting staff and management, and or any other pre-audit concerns by the Audit Committee or the auditor.*

**9. Inventory Guidelines** (*Attachment C*)

**10. Audit Schedule** (*Attachment D*)

**11. New Business**

**12. Adjourn**

**Next Audit Committee Meeting**

Thursday, March 7, 2024

(Tentative)

**Leon County Research and Development Authority  
Audit Committee Meeting**

Collins Building  
2051 East Paul Dirac Drive  
Tallahassee, Florida

March 9, 2023  
2:00pm – 3:00pm

**DRAFT Minutes**

**Members in Attendance:** Ray Bye (Chair), Shawnta Friday-Stroud, Eric Holmes.

**Members not in Attendance:** Brian Bautista, Dave Ramsay (Non-voting).

**Guests:** Russell Perkins, Thomas Howell Ferguson, CPA; Kristy Wicker, NAI Talcor; Michael Kramer, Ayne Markos, Peggy Bielby, LCRDA.

**1. Call to Order**

Ray Bye called the meeting to order at 2:00pm.

**2. Introduction of Guests**

All present introduced themselves.

**3. Approval of Participation by Electronic Means**

As a quorum was present in person no approval was needed.

**4. Modifications to the Agenda**

None.

**5. Public Comment**

None.

**6. Approval of the November 14, 2022, Audit Committee meeting minutes**

*Eric Holmes offered a motion to approve the meeting minutes. Shawnta Friday-Stroud seconded the motion which passed unanimously.*

**7. Audit presentation and discussion**

Russell Perkins presented the draft financial statements and report by the auditors, noting they did not encounter any difficulties or restrictions in conducting the audit and did not have any disagreements between management and the independent auditors in the preparation of the financial statements. He reported no significant changes in financial reporting practices or the Authority's internal control systems, and made no recommendations for improvements in the financial policies, procedures, and practices of the Authority.

*Shawnta Friday-Stroud offered a motion to accept the auditors' report conditioned upon the finalization of the Management Discussion and Analysis update. Eric Holmes seconded the motion which passed unanimously.*

**8. Audited Financial Statements for fiscal year 2021-2022.**

Staff requests a recommendation to the Board for approval of the draft Audited Financial Statements for fiscal year 2021-2022.

*Shawnta Friday-Stroud offered a motion to recommend approval of the audited financial statements to the Board. Eric Holmes seconded the motion which passed unanimously.*

**9. New Business**

None.

**10. Adjourn**

The meeting was adjourned at 2:09pm.

## LEON COUNTY RESEARCH AND DEVELOPMENT AUTHORITY AUDIT COMMITTEE CHARTER

### A. **PURPOSE:**

The primary purpose of the Audit Committee is to assist the Leon County Research and Development Authority (LCRDA) Board of Governors and management in fulfilling its financial and fiduciary responsibilities. In fulfilling that purpose, the Audit Committee shall oversee the processes that the LCRDA establishes in maintaining effective control systems for accounting and financial reporting.

Therefore, the Audit Committee shall:

Oversee the processes used to:

- i) assess the Authority's internal control environment, and
- ii) to identify, evaluate, and mitigate the associated risks;

Monitor the financial reporting process; and

Oversee the external audit and internal review processes.

### B. **COMMITTEE MEMBERSHIP:**

The Audit Committee shall be comprised of not less than three members of the Board of Governors, appointed by the Chairman of the Board of Governors. The Chairman of the Board shall appoint a member to serve as Chair of the Audit Committee.

### C. **COMMITTEE RESPONSIBILITIES:**

To fulfill its responsibilities, the Audit Committee shall:

#### General Responsibilities:

- Provide avenues of communication among the Board of Governors, the Executive Director, and the independent auditors.
- Review the Audit Charter at least annually, and make recommendations for modifications, if any, to the Board of Governors.
- Review the report of the independent auditors, including any recommendations for improvements in the Authority's financial management or practices.

### Internal Control Systems:

- Review the adequacy and effectiveness of internal controls over the financial accounting and reporting systems.
- Receive reports from management, and the independent auditors regarding the adequacy of the Authority's financial accounting and reporting policies, procedures, and practices.
- Oversee the investigation and disposition of any suspected cases of fraud or irregularity. Ensure that appropriate actions are taken to strengthen the Authority's administrative or financial practices, where necessary.

### Financial Reporting Processes:

- Review the Authority's annual financial statements.

### Independent Auditors:

- Recommend to the Board of Governors the selection of the independent auditors.
- Review the performance of the independent auditors, including the adequacy of the audit scope and audit plan.
- Continually evaluate the independence of the independent auditors.
- Periodically meet with management and the independent auditors to discuss:
  - Difficulties or restrictions encountered in conducting the audit;
  - Disagreements between management and the independent auditors in the preparation of the financial statements;
  - Significant changes in financial reporting practices or the Authority's internal control systems; and
  - Recommendations for improvements in the financial policies, procedures, and practices of the Authority.

**D. COMMITTEE MEETINGS:**

The Audit Committee shall meet at least twice annually, but more frequently if circumstances warrant. A majority of members of the Committee constitute a quorum for meeting purposes. To foster open and effective communication, the Audit Committee shall meet at least annually with management and the independent auditors.

The meeting shall operate in accordance with Robert's Rules of Order. Minutes of Audit Committee meetings shall be prepared, distributed to the Board of Governors and management and be made available and retained in accordance with the public records laws in the state of Florida.

The Audit Committee Charter is effective as of October 1, 2010.

Amended by the Audit Committee on November 5, 2012, and approved by the Board on November 19, 2012.

## Definition:

Acquired assets with a useful life exceeding one (1) year used in the regular course of operation shall be identified as Capital Assets or Valuable Equipment. This includes all Property, Plant & Equipment (PP&E) and Furniture, Fixtures and Equipment (FF&E).

### **Capital Assets:**

- Tangible and Identifiable
- Acquisition cost greater than \$5,000
- Expected useful life of greater than one (1) year.
- Includes major repairs outside routine maintenance that meet the above three criteria.

### **Valuable Equipment:**

Valuable item is defined as:

- Tangible and Identifiable
- Acquisition costs greater than \$250.00 and less than \$5,000.00.
- Expected useful life of greater than one (1) year.

Example:

- Desktops
- Laptops
- iPads, Tablets
- Audio Visual Equipment
- Furniture
- Others....

### Category of Assets for Accounting & Depreciation

- Non depreciable Capital Asset
  - Land & Construction In Progress
- Depreciable Capital Asset
  - Buildings, infrastructure & other improvements
  - PP&E and FF& E (that meets Capital Asset criteria above)
- Non- Depreciable Valuable Equipment (expensed for accounting)
  - FF& E
  - Other acquired assets that do not meet the above criteria.

### Recording Keeping

- All Acquired assets should be identified and categorized at time of purchase.
- All Acquired assets should be included in the inventory or property listing.



- An annual physical inventory of both Capital and Valuable Equipment is to be conducted during the month of September each year.
- Non- Depreciable Valuable Equipment will be expensed at time of acquisition.
- Non-Depreciable Valuable Equipment will be accounted for but excluded from annual physical inventory listing.

#### Physical Inventory Process

- Conducted annually during the month of September prior to year-end financial audits.
- Must include two (2) individuals and inventory tracking sheets (sample attached) for accuracy and record keeping.
- Obsolete, damaged, or missing items to be removed from schedules and expensed as necessary.
- General Ledger will be adjusted to tie to physical count.

#### Inventory Write-Off:

- Inventory that is obsolete, damaged, or missing will be written off by the end of fiscal year.

#### Board Approval:

- Board approval is required for the purchase of capital items exceeding \$10,000,
- Board approval is required to dispose of and adjust obsolete, damaged, or missing items exceeding \$10,000.

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Audit Schedule

Fiscal Year 2022-23

As of November 2, 2023

- 09/30/23 Fiscal Year Ends
- 10/26/23 Audit Committee Agenda Packet
- 11/02/23 Pre-fieldwork Audit Committee Meeting
- 11/09/23 Audit Fieldwork Begins
- 01/16/24 GASB 68 Info Published Mid-month
- 02/22/24 Final Draft Audit Report Due to LCRDA
- 02/29/24 Audit Committee Agenda Packet-Tentative
- 03/07/24 Audit Committee Meeting to Approve-Tentative
- 03/14/24 Executive Committee Agenda Packet
- 03/21/24 Executive Committee Meeting to Approve
- 03/28/24 BoG Agenda Packet
- 04/04/24 BoG Meeting to Approve
- 06/30/24 Filing Deadlines (or earlier of 45 days after audit report delivered)