

**MINUTES OF THE SCHOOL BOARD AUDIT COMMITTEE  
OF MIAMI-DADE COUNTY PUBLIC SCHOOLS  
NOVEMBER 15, 2006**

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The School Board Audit Committee met on Wednesday, November 15, 2006 at 12:00 p.m. in the School Board Administration Building, Room 916, at 1450 N.E. Second Avenue, Miami, Florida.

**Members Present:**

Voting:

Mr. Jeffrey B. Shapiro, Chair  
Mr. Carlos M. Trueba, Vice Chair  
Ms. Perla Tabares Hantman, Board Member  
Ms. Betty Amos  
Mr. Willie Kemp  
Ms. Lidia Monzon-Aguirre  
Mr. Robert Stein  
Mr. Vidal Marino Velis

Non-Voting:

Mr. Allen M. Vann

**Members Absent:**

Mr. Manuel A. Gonzalez  
Mr. Nick Tootle  
Mr. Robert W. Schomber

**Call to Order**

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Mr. Jeffrey B. Shapiro, Chair called the meeting to order at 12:03 p.m.

**Introductions**

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Mr. Shapiro greeted everyone and asked them to introduce themselves, and they did. The following persons were present:

Ms. Evelyn Langlieb Greer, Board Member  
Dr. Martin Karp, Board Member  
Ms. Ana Rivas Logan, Board Member  
Dr. Marta Perez, Board Member  
Dr. Rudolph Crew, Superintendent of Schools  
Ms. JulieAnn Rico, School Board Attorney  
Ms. Carolyn Spaht, Chief of Staff  
Ms. Antoinette Dunbar, Deputy Superintendent  
Mr. Alberto Carvalho, Associate Superintendent  
Mr. Freddie Woodson, Associate Superintendent  
Mr. Michael Bell, Assistant Superintendent  
Ms. Maria Teresa Rojas, Assistant Supt.  
Mr. Luis M. Garcia, Sr. Assistant Board Attorney

Ms. Mindy McNichols, Associate Academics  
Compliance Attorney  
Mr. Felipe Noguera, Chief Communications Off.  
Ms. Ana Lara, Adm. Asst. to Ms. Hantman  
Ms. Vivian Lissabet, Adm. Asst. to Ms. Logan  
Ms. Dalia Rosales, Adm. Asst. to Dr. Perez  
Mr. Carlos Saladrigas, Adm. Asst. to Mr. Barrera  
Ms. Silvia R. Rojas, Treasurer  
Ms. Connie Pou, Controller  
Ms. Daisy Naya, Assistant Controller  
Mr. Jose F. Montes de Oca, Asst. Chief Auditor  
Mr. Julio Miranda, District Director

Attendees continued ...

Mr. Trevor Williams, District Director  
Mr. Steve Gallon, III, Administrative Director  
Mr. Jon Goodman, Director  
Mr. John Schuster, Director  
Ms. Tamara Wain, Director  
Ms. Cecilia Lavina, Supervisor  
Ms. Dina Pearlman, Supervisor  
Mr. Norberto Ferradaz, Supervisor  
Mr. Lawrence Rubio, Supervisor  
Mr. Mike Brennan, Alternative Outreach  
Mr. Miguel Torres, Alternative Outreach  
Ms. Nelly Fuentes-Lacayo, Audit Coordinator II  
Ms. Libby Perez, Board Members Office  
Ms. Pamela Carter, Paralegal  
Ms. Lourdes Amaya, Administrative Aide  
Ms. Elsa Berrios-Montijo, Rec. Secretary  
Ms. Alysia Marsh, Administrative Secretary  
Ms. Margarita Betancourt, SP Charter School  
Operations  
Mr. Dave Cash, SP Charter School Oper.  
Ms. Alina Diaz, SP Charter School Ops  
Ms. Tiffanie Pauline, SP Charter School Oper.  
Mr. Alex C. Chuckman, MDC-Police  
Ms. Maggie Fresen, Academica  
Mr. Marcos Jimenez, Attorney for Academica  
Mr. Sam Poole, Attorney for Academica  
Mr. Fernando Zulueta, Academica  
Dr. George Kafkoulis, Archimedean  
Mr. Alecco Haralambides, Archimedean  
Ms. Lorrie Davidson, Charter School USA  
Ms. Evelyn D'An, Doctor's Charter School  
Mr. William Heffernan, Doctor's Charter School  
Mr. Paul Thompson, Downtown Miami Charter  
Ms. Tanya Davis, S. Davis  
Mr. John Antioau, JESCA

Mr. Dan Rivers, Liberty City Charter School  
Ms. Katrina Wilson-Davis, Liberty City Charter  
Ms. Judith Marty, Mater Academy  
Mr. Antonio L. Roca, Mater Academy  
Ms. Shannine Sadesky, Mater Board  
Ms. Ana Cordal, Renaissance Elementary  
Charter School  
Ms. Ana Mejido, Renaissance Elementary  
Charter School  
Mr. Thomas J. Sherry, Oxford Academy  
Mr. Pedro M. DeArmas, Verdeja & DeArmas  
Mr. Octavio Verdeja, Verdeja & DeArmas  
Mr. Robert Fielder, SAO, Investigator  
Mr. Peter Deutsch  
Ms. Jane Moscowitz, EAC  
Ms. Susan Marie Kairalla  
Mr. Joseph C. Raia, Attorney for Mater Academy  
Mr. Gabriel Cadet, Kenny Nachwalter, P.A.  
Mr. Michael Cannon, Real Estate Appraiser  
Mr. Matt Gorson, Greenberg Tourig  
Ms. Tania de Luzuriaga, The Miami Herald  
Mr. Dan Ricker, Watchdog Reporter

**1. Approval of the Minutes of the Audit Committee meeting of September 6, 2006**

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There was no discussion and a motion was made by Ms. Monzon-Aguirre, seconded by Mr. Trueba, which carried unanimously, to approve the Minutes of the Audit Committee meeting of September 6, 2006.

**2. Charter School Legislative Update**

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Ms. Rico explained that based on a request at a previous Audit Committee meeting she was providing this legislative update on charter schools. Ms. Rico acknowledged Ms. McNichol, Associate Attorney, who has provided legal support to the charter schools department and will make a brief presentation. Ms. Rico highlighted the key aspects of interest to the Audit Committee. She noted that the School Board, as the sponsor of the charter schools, has the responsibility and authority to monitor governance, financial, and academic performance of the charter schools, as provided by the Statutes and through our contractual requirements. Ms. Rico mentioned that the recent legislative session enacted a number of new provisions, focusing on accountability.

After Ms. McNichol's short presentation there were some comments and a few questions posed by the Audit Committee members, which Ms. McNichol addressed.

(Please note that the minutes are presented in the order of the original agenda; however, at the suggestion of Mr. Vann agenda item #7 was addressed next, so that Dr. Crew and Board members present could fulfill other commitments.)

**3. Auditor General Report No. 2007-015, Report on Significant Findings and Financial Trends In Charter School and Charter Technical Career Center Audit Reports Prepared by Independent Certified Public Accountants for the Fiscal Year Ended June 30, 2005**

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Mr. Montes de Oca introduced the report and noted that this report provides a summary of the significant findings and financial trends that were identified in the audit reports submitted for 290 charter schools and charter technical career centers, for the 2004-05 fiscal year. He also noted that

since these reports are for fiscal year 04-05, the committee and the board have already seen those related to Miami-Dade.

There was no discussion and a motion was made by Mr. Trueba, seconded by Ms. Amos, which carried unanimously, to recommend that the Annual Auditor General Report No. 2007-015, Report on Significant Findings and Financial Trends In Charter School and Charter Technical Career Center Audit Reports Prepared by Independent Certified Public Accountants for the Fiscal Year Ended June 30, 2005 be received and filed by the School Board.

**4. Annual Auditor General Report No. 2007-036, Report on Review of Charter School, Charter Technical Career Center, and District School Board Auditor Report Prepared by Independent Certified Public Accountants for the Fiscal Year Ended June 30, 2005**

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Mr. Montes de Oca introduced the report and noted that this report provides statistics on the required submission deadlines and contents of annual financial audits conducted by certified public accountants for sixteen district school boards and 290 charter schools, for the 2004-05 fiscal year. He also noted that this report does not identify specific schools or districts.

There was no discussion and a motion was made by Mr. Trueba, seconded by Ms. Amos, which carried unanimously, to recommend that the Annual Auditor General Report No. 2007-036, Report on Review of Charter School, Charter Technical Career Center, and District School Board Auditor Report Prepared by Independent Certified Public Accountants for the Fiscal Year Ended June 30, 2005 be received and filed by the School Board.

**5. Financial Statements – Charter Schools**

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Mr. Vann indicated that the group being presented make up 15 of the 59 charter schools in the county and the 15 schools are either in a state of financial emergency or are related to the Mater Academy. Mr. Williams introduced Ms. Margarita Betancourt and noted that she is the new Financial Director for the charter school office. Mr. Williams commenced an overview for the following charter schools:

**Archimedean Charter School**

Mr. Williams observed that the Office of Management and Compliance audits had concerns with this school and pointed out that inquiries were made to the school administration. Our concerns centered around management fees owed that had not been paid; expenditures that exceeded the revenues; and a sharp increase in board expenses. Mr. Williams pointed out that a response requested by the Office of Management and Compliance Audits to these issues was not received.

Mr. Alecco Haralambides, Archimedean VP, who was in attendance, explained that the response was delivered by courier that day, because the Audit Committee meeting had been moved from December 5 to November 15 and they had made every effort to submit a response in a timely manner. [ The courier package was not received until the day after the Audit Committee meeting, i.e. November 16]

Mr. Stein asked if the \$250,000 loan reflected in the statement will be paid. Mr. Haralambides responded that the school had made an arrangement with Academica's administration, which will allow the school to pay the loan in partial installments during a three year period. Mr. Haralambides commented that the board expenses were classified incorrectly. Mr. Williams said it would be appropriate to wait until he reviews the response to discuss the issues properly.

The Audit Committee deferred the report from Archimedean Academy to the December 5, 2006 Audit Committee meeting so that it could be properly discussed. Ms. Monzon-Aguirre asked Archimedean to also provide information on the nominal interest rate that will be charged on the loan, at the December meeting.

### **Doctors Charter School of Miami Shores**

Mr. Williams noted that the financial recovery plan received from Doctors charter school, which included \$2.5 million that has been earmarked to cover any operating deficits, is satisfactory.0 Mr. Stein expressed concern about monies for the school that have not yet been approved by Miami Shores and stated this situation may very well become a financial emergency. Responding to inquiries about the building, Mr. Heffernan stated that \$5 million had been set aside solely for the

school by Miami Shores. He explained that this school has just added a middle and a high school and they are experiencing growing pains, which are reflected in the financials but reassured the Audit Committee that they are well on their way to financial recovery.

The Audit Committee recommended submittal of the financial report from Doctors Charter School of Miami Shores to the School Board.

### **Downtown Miami Charter School**

Mr. Williams noted that the financial recovery plan received from Downtown Charter is satisfactory. He stated that the projection for the upcoming year is for a surplus of \$219,000.

Based upon Mr. Williams' advice, the Committee recommended submittal of the financial report from Downtown Academy to School Board.

### **Liberty City Charter School**

Mr. Williams noted that the financial recovery plan received from Liberty Charter is satisfactory. He pointed out that this school has improved from year to year and is currently doing well; however, based on the plan submitted, the school most likely will still have a deficit balance next year.

Mr. Stein asked if this school is eligible for any assistance due to its financial emergency situation. Ms. Wilson explained that the State promised mentorship but never delivered.

Ms. Monzon-Aguirre inquired about FEMA's application dated October 2006. Ms. Wilson explained that in 2005 the application for hurricane losses was declined, but under a new law the school reapplied and is awaiting a response.

Ms. Amos asked if there are any suits pending, since there was a prior suit against the school. Ms. Wilson answered that there are no suits pending.

The Committee recommended submittal of the financial report from Liberty City Charter School to the School Board.

**Mater Academy East**

**Mater Academy**

**Mater Academy Charter Middle School**

**Mater Academy Charter High School**

**Mater East Academy Middle School**

**Mater Performing Arts & Entertainment Academy**

Mr. Williams noted that the schools listed above have similar issues of disclosures as those previously discussed with the Mater Academy Report. Mr. Vann expressing concern, asked the Audit Committee members if they were satisfied with the current disclosures.

Mr. Trueba indicated that he was concerned about the disclosures and suggested revisiting and discussing these financial reports at the special meeting of the Audit Committee to be scheduled for January 2007.

The Committee agreed to defer acceptance of the financial reports for the six Mater Schools until the special Audit Committee meeting in January. [Currently scheduled for January 10, 2007.]

**Oxford Charter School**

Mr. Williams explained that the recovery plan received from Oxford Charter School is basically satisfactory; however, he noted that there are some allegations surrounding this school involving matters of financial impropriety. Mr. Williams stated that although the allegations have not been substantiated, we intend to perform an audit of this school to look into those allegations.

Mr. Vann asked the Audit Committee to ratify Mr. Williams request to do a separate audit and look into these allegations.

In response to a question from an Audit Committee member, Mr. Tom Sherry, the representative for Oxford Academy, explained that there was insufficient money to cover the entire cost of the payroll, so they issued checks to pay the employees; however, they have not been able to pay the taxes.

After some discussion, the Audit Committee agreed to submit the financial report and the plan to the School Board, and directed OMCA to perform a separate audit looking into the allegations and provide a report on the findings to the Audit Committee.

### **Pinecrest Preparatory Academy**

Mr. Williams expressed concern with the lease space and other issues.

The Committee deferred the review of this school to the special Audit Committee meeting in January.

### **Renaissance Elementary Charter School**

Mr. Williams noted that the financial recovery plan received from Renaissance Elementary Charter is satisfactory. He expressed concerns about the management fees arrangement whereby the management company gets paid last. A representative for Renaissance School, explained the arrangement.

After some discussion with Mr. Williams, the Audit Committee, recommended submittal of the financial report from Renaissance Elementary Charter School to the School Board.

### **Spirit City Academy**

Mr. Williams explained that although the financial recovery plan received from Spirit City Academy represented a strong effort to solve the situation, he felt that the plan does not take the school out of the financial emergency state.

After some discussion, the Audit Committee agreed to submit the financial statements and the plan for Spirit City Academy to the School Board and recommended continued monitoring.



### **Theodore and Thelma Gibson Charter School**

Mr. Williams noted that the financial recovery plan received from Theodore and Thelma Gibson Charter School does not address the concerns.

After extensive discussion, the Audit Committee agreed to submit the financial statements and the plan from Theodore and Thelma Gibson Charter School to the School Board and recommended continued monitoring.

### **6. Spiral Tech update**

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Mr. Bell recapped Spiral Tech's past financial difficulties, which deteriorated over time. He noted that the recommendations of the Audit Committee contributed towards the Board's decision to terminate the contract and was extensively used in building the case against Spiral Tech.

Ms. McNichols concluded that the case was significant because while Florida Statutes allow a school district to terminate a charter contract based upon failure to follow generally accepted fiscal management standards, that term is not defined in the statutes. This case helped define the standard and sets a precedent.

There was no action required, since this item was presented to the Audit Committee for information purposes only.

### **7. Investigation of Allegations of Impropriety Mater Academy Charter School(s) and Academica Corporation**

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Mr. Vann made a presentation highlighting the salient issues in the report.

Mr. Stein asked for the names of the owners of the company from which money was borrowed to purchase the school. Mr. Vann said that Academica officers are Ignacio and Fernando Zulueta. Mr. Goodman answered that Ignacio and Fernando Zulueta are listed as members of a Limited Liability Corporation that lent the money, which may be viewed as synonymous with ownership. Mr. Stein asked for the amount of the loan. Mr. Goodman said it was \$14.8 million. Mr. Stein pointed out

that the purchase price of the lease was \$6 million. Mr. Vann responded that they purchased the property and assumed the school's \$6 million capital improvement debt. Mr. Stein pointed out that the total is a little over \$12 million not \$14 million. Mr. Goodman said that the monies were lent from Academica Charter School Finance but OM&CA was not provided with the information despite making several requests.

Ms. Tabares Hantman pointed out that the charter schools are governed by the [Florida] Statutes, which state that public meetings should be conducted and records should be kept accordingly. Mr. Vann said we made a recommendation that they [Academica] should keep more comprehensive minutes. However, they responded that their minutes were legally sufficient. Mr. Vann also recommended that Mater refer to the School Board Rules on the topic and use the rule as a best practice. Ms. Tabares Hantman pointed out that they should comply with the Statutes, which have more force than our Board Rules.

Mr. Trueba asked if the Audit Committee should transmit this report with some recommendations to the School Board. He noted that there needs to be a complete revision of the bylaws of each of these charter schools to create total independence from Academica. He believes that the [Charter School] Board needs to feel that it can fire Academica, if they had to, for example for better rates, services, etc.

Mr. Shapiro referred to the report, wherein it is stated that Mater Academy cannot cancel the management contract in the first 3 years except for cause. He inquired about the period of the contract. Mr. Goodman responded that the contract period runs from July 1, 2004 through June 30, 2009 and noted that through June '07, the contract may not be terminated except for cause, but after that, it can be terminated without cause.

Mr. Trueba suggested two recommendations to strengthen the governance of these nonprofit organizations: (1) that they create a board that feels, in appearance and fact, independent and has the ability to run the school, and (2) [re]negotiate a more advantageous lease for the property.

Mr. Vann explained that the boards are independent from the District's school system. He noted that the school system cannot easily take over a charter school. He also noted that it is our hope that if the schools have independent boards, which do not have ties with the management company or other vendors, they should be able to make good independent judgments in the best interest of the school. Ms. Moscovitz asked what are the boundaries of powers and authority of the School Board to terminate a charter. Ms. Rico responded that if sufficient cause is found, the School Board can terminate the contract.

Ms. Tabares Hantman asked if charter schools are governed by the Sunshine Law. Ms. Rico answered yes. She also asked if there may be improprieties regarding Sunshine Law violations related to the minutes. Mr. Vann pointed out that the minutes of the board meetings were in no way illuminating in terms of how decisions were made and in providing supporting information regarding how negotiations were conducted. Ms. Tabares Hantman asked if there were any audio tapes. Mr. Vann answered to his knowledge there were no audio tapes. Mr. Raia, Attorney for Mater Academy, confirmed that there are no tape recordings of these meetings and noted that it is not a requirement of the Florida law.

Mr. Kemp inquired about the market value of the lease. Mr. Vann responded that an appraiser was hired for that purpose and concluded that the amount charged seemed to be high, but there might be mitigating factors. He noted that the relevant question is, "was the best interest of this

school served by giving them a market rate; which may include excessive profits?" Mr. Vann stated that in his mind there were excessive profits and a better deal was available but was not taken.

Mr. Stein inquired about the original lease of \$6.50 per square foot, and whether the lease had expired when the building was purchased. Mr. Vann said the lease ran until June '05 and pointed out that at that time the school's financial position was even stronger than when the lease was negotiated. Mr. Stein pointed out that they could have bought the building for \$6 million under the terms of their lease and asked if the board decided not to do that. Mr. Shapiro pointed out that according to the report, the board was unaware of the option, which is equally disturbing.

Ms. Tabares Hantman made reference to Section 1002.33 and Section 286.011, of the Florida Statutes which govern charter schools public meetings and records, and read parts where it states that minutes of any such board and commission should be promptly recorded. Mr. Shapiro pointed out that Mr. Raia had stated that this Statute is not applicable and that he will leave its interpretation to more experienced people to comment on that concern.

Mr. Shapiro expressed concerns on several specific issues: (1) the appearance of impropriety; (2) the cross-ownership among the schools and Academica Corporation; (3) the propriety and supporting documentation for the \$175,000 loan; (4) whether Mater Academy received the full benefit of substantial property tax exemptions claimed by the lessor of the property the school occupies; and (5) supposedly independent board members not knowing about a purchase option that would have saved the school several million dollars. Mr. Shapiro asked for responses to these concerns.

Attorney Raia responded to the concerns regarding the loan, and noted that the loan was made as an accommodation to Somerset Academy. He agreed that it was not a good policy and noted that it will not happen again. He also pointed out that the loan was repaid in full, with interest.

Mr. Raia presented a copy of an unsigned promissory note, and stated that a letter dated March 3, 2006, the promissory note, and copies of the minutes pursuant to which the loan was approved were forwarded to Mr. Vann. Mr. Vann stated that he had not received the note and had not seen it before.

Mr. Shapiro requested a copy of the signed promissory note be provided to Mr. Vann. Mr. Raia responded that if he can get a hold of it, it will be provided. He also stated that the loan was recorded in the audited records of the school and the board minutes are routinely forwarded to the School Board.

Mr. Shapiro expressed concern about the refusal to provide information requested by OM&CA and asked Mr. Jimenez, Attorney for Academica, to provide an explanation.

Mr. Jimenez responded that information that was provided to OM&CA has not been provided to the Audit Committee.

Mr. Shapiro asked Mr. Jimenez to explain the cross-ownership and the refusal to disclose the ownership of Wolfson Hutton. Mr. Jimenez explained that it will not be disclosed until the disclosure requirement applies to all charter schools. Mr. Shapiro took exception to that response.

Mr. Jimenez stated that Mater Academy has a contract with M-DCPS and Academica has no relationship with M-DCPS. Therefore, if the schools have a problem with Academica, they could terminate their contract with or without cause, accordingly. Mr. Shapiro stated that he would agree if the boards were independent.

Mr. Jimenez pointed out that this same committee in March 2006 reviewed the audit where the note was disclosed and Mr. Vann noted that the \$175,000 was paid without raising any concerns regarding a conflict of interest at that time. Mr. Vann countered that there was no knowledge then of what was going on with regard to poor governance issues.

Mr. Shapiro asked for an explanation about why Mater Academy did not know about the option to purchase. Mr. Raia said there was no formal option document, but a contract to buy made out in the name of Ignacio Zulueta as trustee. He explained that Mater made the effort to purchase the property, but could not qualify and could not obtain the funds to purchase the property. Mr. Raia noted that some members had no recollection of an option, but remembered other things. However, there are members who are no longer on the board, who were not interviewed by the auditors and they remember of an option and efforts to purchase the property.

Mr. Raia provided a lengthy explanation on the several attempts made by Mater to apply for loans and how it was turned down time after time. Mr. Shapiro asked whether there are copies of the loan applications. Mr. Raia answered no.

Ms. Amos commented that she believes that there is no written document on an option to purchase, but pointed out that the best way to include the option is typically to embed it in the lease, as was the case here.

Mr. Raia emphatically stated that Mater tried to purchase the property but could not.

Mr. Shapiro asked Dr. Crew for his input. Dr. Crew noted that he has several issues to dispel. He stated that there was an allegation that somehow he does not like charter schools, which is not true. He said he has not been a proponent of charter schools because they are not part of his core business - he is a public school superintendent and that is his core business... where he focuses his time and energy. He assured the committee and members of the School Board that nothing could be more specious than to suggest that this issue arose because he trumped it up. He also wanted to clarify a rumor that Mr. Vann has applied for the position of the Inspector General and is interested in using this report to have a front seat for the position. He explained that, that is simply not true. Mr.

Vann is not a candidate for that position. He also noted that he has always respected and continues to respect Mr. Vann's work and considers it to be of very high quality. Dr. Crew also discussed the often-raised concern of not doing due diligence towards charter schools operations up front to avoid situations such as these on the back end. He also said that he was made aware of issues through briefings and decided to refer the matter to the State Attorney, which he considers the proper vehicle.

Mr. Raia provided a lengthy explanation of whether the board knew that Academica was financing another company's purchase of the property at the same time Mater was trying to obtain a loan.

Mr. Jimenez pointed out that the lender in the loan is not Academica. He also asked to have an appraisal report prepared by Mr. Cannon presented.

After some discussion among Audit Committee members, Mr. Shapiro recommended that the appraisal report and any other new information be presented at a special meeting to be scheduled for the near future after staff and the committee had time to review it.

Mr. Octavio Verdeja, CPA of Verdeja & De Armas, LLP, provided an explanation regarding their perspective on the related party issues raised and stated that the audit procedures they applied caused them to conclude that the transaction in question is not a related party transaction.

A motion was made by Ms. Amos, seconded by Ms. Hantman and unanimously approved to have the issues raised by the Audit Committee addressed by the administration of Mater Academy and Academica and be presented at a special meeting to be scheduled for January 2007.

## **8. James E. Scott Community Association, Inc. Update**

Dr. Gallon provided a thorough update on the recovery plan for JESCA and noted that periodic visits have been made to monitor the implementation. He also noted that JESCA's probationary

contract will end in December. Moreover, since there has been improvement in JESCA's operations, a formal report indicating the action plan will be provided to the School Board at its December meeting.

There was no action required, since this item was presented to the Audit Committee for information purposes only.

### **Other Business**

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The Chair mentioned that the search for an inspector general is ongoing.

There was no action required, since this item was presented to the Audit Committee for information purposes only.

### **Adjournment**

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The meeting was adjourned at 3:13 p.m.

The agenda items were discussed in the following order: 1, 7, 2, 3, 4, 5, 6, 8.