

**COLUMBUS CITY SCHOOLS
BOARD OF EDUCATION
AUDIT AND ACCOUNTABILITY COMMITTEE MEETING**

**March 26, 2019
at
Columbus Education Center – Cabinet Room**

Committee members present:

Michael Cole, Chair, Board Vice-President, Eric Brown, Board Member, Charles Saunders, Franklin University, Community Member, Gregory Jordan, Nationwide, Community Member, Ilija Vadjon, The Wendy's Company, Community Member, Tim Grant, Parms+Company, Community Member

Others present: Gary L. Baker, II, Carolyn Smith, Talisa Dixon, John Stanford, Alesia Gillison, Maurice Oldham, Machel Kline, Annette Morud, Steve McElroy, Mike McCammon, Kathy Leffler, Jill Lausch, Scott Varner, Felisha Lyons, Keith Harris, Danielle Bomar, Gary Vance, Angela Eddings, Leslie Kelly, Brandi Meyers, Greg Wisniewski, Gary Bright, Jamal Ford, Allison Holm, Rachel Kline, Lexi Kisor, Ericka White, Kevin O'Connor, Dion Brown, Kevin Saionzkowski, Terri Berchak, Carolyn Edwards, and Bill Bush.

Committee member absent: Ramona Reyes, Board Member

Chair Cole called the regular meeting of the Board of Education Audit and Accountability Committee (the Committee) to order at 3:35 p.m.

Chair Cole recognized the attendance of Committee Members: Charles Saunders, Gregory Jordan, Eric Brown, Ilija Vadjon, and Tim Grant.

The Committee voted to have no changes to the Audit & Accountability Committee meetings frequency and time.

Approval of Minutes

The motion to approve the minutes of the regular meeting held on January 24, 2019 was made by Member Brown and seconded by Member Saunders. The Committee unanimously approved the minutes.

Member Jordan left the meeting at 4:15 p.m.
Member Saunders left the meeting at 5:21 p.m.

Ms. Smith welcomed Superintendent, Dr. Dixon to the Audit & Accountability meeting.

Committee Operations:

No Reports Due

Office of Internal Audit Report

Request for Release of Audit Report(s)

Virtual Credit Advancement Program (VCAP) Audit Report

Ms. Berchak, Dr. Kline and Dr. Bomar were seated at the table to present the VCAP Audit Report.

Ms. Berchak directed the Committee to Page 3 of the VCAP Audit Report. The Audit Issues, Audit Objectives, Audit Scope, Methodologies, and Background were discussed. The review period was July 1, 2017, through June 30, 2018.

The following high- and moderate-risk issues and recommendations were discussed:

Issue No. 1 – The Edmentum vendor does not have appropriate password protocols or sufficient controls to ensure data integrity.

Issue No. 2 – VCAP testing during weekend and/or between the hours of 9pm and 6am lacked proper support documentation.

Issue No. 3 – District VCAP management is not performing the necessary monitoring functions as they relate to employee access to Edmentum and test completion outside of expected days/hours.

Chair Cole inquired how often, at this point, are passwords required to be changed. Ms. Berchak commented at this point it is twice a year. Whenever we did the review, there was no requirement.

Ms. Berchak, Dr. Kline, Dr. Bomar, Dr. Harris and the Committee engaged in further discussion regarding the VCAP Audit Report.

A motion to approve and release the Virtual Credit Advancement Program (VCAP) Audit Report was made by Member Brown and seconded by Member Saunders, with an amendment as appropriate.

Third Grade Reading Guarantee (3GRG) Audit Report

Ms. Berchak, Ms. Gillison, and Ms. Kelly were seated at the table to present the 3GRG Audit Report.

Ms. Berchak directed the Committee to Page 3 of the 3GRG Audit Report. The Executive Summary, Audit Scope and Background were discussed. The review period was July 1, 2017, through June 30, 2018.

The following high- and moderate-risk issues and recommendations were discussed:

Issue No. 1 – Various Departments involved in the 3GRG process do not have written business objectives, metrics or risk analysis to guide the 3GRG program, determine successes, avoid pitfalls, and enhance its efficiency and effectiveness.

Issue No. 2 – Parental/guardian notification (Not on Track) letters sent by the District are sent late and/or are missing required statutory elements.

Issue No. 3 – Supporting documentation relating to the Reading Improvement and Monitoring Plan (RIMP) is insufficient for the required elements.

Issue No. 4 – The 3GRG program does not have sufficient monitoring for the 3GRG program.

Ms. Berchak, Ms. Gillison, Ms. Kelly, Dr. Bomar and the Committee engaged in further discussion regarding the 3GRG Audit Report.

A motion to approve and release the Third Grade Reading Guarantee (3GRG) Audit Report was made by Member Saunders and seconded by Member Grant. The Committee was all in favor.

Office of Transportation Audit Report

Mr. Brown (Segment Audit Manager) and Mr. McElroy were seated at the table to present the Office of Transportation Audit Report.

Mr. Brown directed the Committee to Page 3 of the Transportation Audit Report. The Executive Summary, Audit Objectives, Audit Scope, Methodologies, and Background were discussed. The review period was January 1, 2018 through September 30, 2018.

The following high-, medium- and moderate-risk issues and recommendations were discussed:

Issue No. 1 – Lack of written operating procedures for supplemental transportation (Field & Athletic Trips) for assigning, billing, collecting, processing, and recording of supplemental transportation (Field & Athletic) trips.

Issue No. 2 – Lack of segregation of duties over the collection of supplemental transportation funds (external entities).

Issue No. 3 – Missing records – Driver Trip Sheet Reports could not be located.

Issue No. 4 – Failure to complete monthly reconciliations of supplemental transportation transactions.

Issue No. 5 – Inconsistent bus compound supervisor review, approval, and timely submission of Driver Trip Sheet Reports.

Issue No. 6 – No utilization of ODE Medicaid Schools Eligible Services Program for direct transportation services.

Issue No. 7 – There is no written contract in place with a vendor that provides transportation services for the District.

Member Grant inquired were your procedures written based on current practices or best practices you refer to that define what your procedures are going to be. Mr. McElroy replied both.

Member Vadjon asked does the school district have policy regarding separation of duties or guidelines. Mr. McElroy shared with the Committee in terms of segregation of duty we want to make sure that we are following the industry guidelines and we are dividing those responsibilities. We have two of our secretaries that can do that. If additional resources are needed a request can be made.

Ms. Smith, Mr. Brown, Mr. McElroy, Mr. McCammon, Mr. Oldham and the Committee engaged in further discussion regarding the Office of Transportation Audit Report.

A motion to approve and release the Office of Transportation Audit Report was made by Member Grant and seconded by Member Vadjon. The Committee was all in favor.

Review all Major Changes to the Annual Audit Plan & Internal Audit Activity and Dashboard Report Review

Ms. Smith explained to the Committee the layout of the Internal Audit Activity and Dashboard Report.

Additions to the FY19 work plan include the WCBE Special Review. Deletions to the work plan include Audit Job No. 13 – Revenue / Accounts Receivables which will carry-over into fiscal year 2020. OIA staff is down from 6 auditors to 5 including the CAE.

The OIA budget was presented to the Finance and Appropriations (FAC) committee. The non-personnel budget is around \$177,000. A slight increase from last year due to the purchase and ongoing maintenance of the TeamMate Audit Management Software.

OIA's QAIP External Assessment is ongoing with a goal of being scheduled for this summer. The Audit Management Software is in the process of implementation with a go-live date of June 3rd.

Risk Management and Mitigation Report

No Report Due

Ethical and Legal Compliance Report

No Report Due

Financial Reporting

No Report Due

Adjournment

A motion to adjourn the meeting was made by Member Grant and seconded by Member Vadon. The Committee Chairperson adjourned the meeting at 5:40 p.m.