

Implementation of Recommendations

August 2019

WCCUSD Facilities and Operations
Forensic Audit Investigation Report
<http://www.wccusd.net/audit>



Implementation Task Force Members:

Matthew Duffy, Superintendent

Luis Freese, Associate Superintendent

Grace Elzerman, Director of Internal Audit

Melissa Payne, Director of Contracts

vacant, Solutions Team Member

Cameron Moore, Citizens' Bond Oversight Committee Member

Background



- ◀ **VLSFAI** - On September 21, 2016, the Board accepted the Vicenti, Lloyd & Stutzman, LLP Forensic Accounting Investigation (VLSFAI) Phase II Report, which offered 112 recommendations to improve management and oversight of WCCUSD's bond program. Some recommendations were assigned high, medium, or low-risk designations.



- ◀ **Implementation Task Force** - An implementation task force comprised of district staff and representatives of key stakeholders was created to develop and monitor the plan for implementing recommendations. The Implementation Task Force meets quarterly and provides quarterly updates to the Facilities Subcommittee and semi-annual updates to the Board of Education.



- ◀ **Matrix of Recommendation** - The Matrix of Recommendations summarizes the 112 recommendations from the VLSFAI Phase II Report, reports the status of implementation, and includes a section for measured deliverables. The updated Matrix is presented quarterly to report the status and progress of recommendations.



- ◀ **Recommendation Work Plans** - The Recommendation Work Plans document the implementation and verification of the 112 recommendations resulting from the VLSFAI Phase II Report. All recommendations will have an individual work plan providing key implementation information and updates.

Independent Review of Implementation



To maintain transparency and accountability, the District is committed to independent review of the implementation of recommendations



Moss Adams, LLC Forensic Accounting Investigation Implementation Review - On October 18, 2017, the Board of Education approved a contract with Moss Adams, LLC to conduct a third-party independent review of the implementation of the VLSFAI recommendations. The scope of the contract provided for two phases:

- ◀ **Phase 1:** From November 2017 - March 2019, Moss Adams reviewed 62 recommendations that the District deemed implemented as of June 30, 2017. Each recommendation was reviewed and designated as “Implemented and Verified”, “Partially Implemented”, “Not Implemented”, or “Undetermined”.
- ◀ **Phase 2:** Moss Adams will review the remaining 50 recommendations. Phase 2 will begin when the District identifies all recommendations as implemented. Currently, the anticipated implementation of all recommendations is scheduled for June 2020.

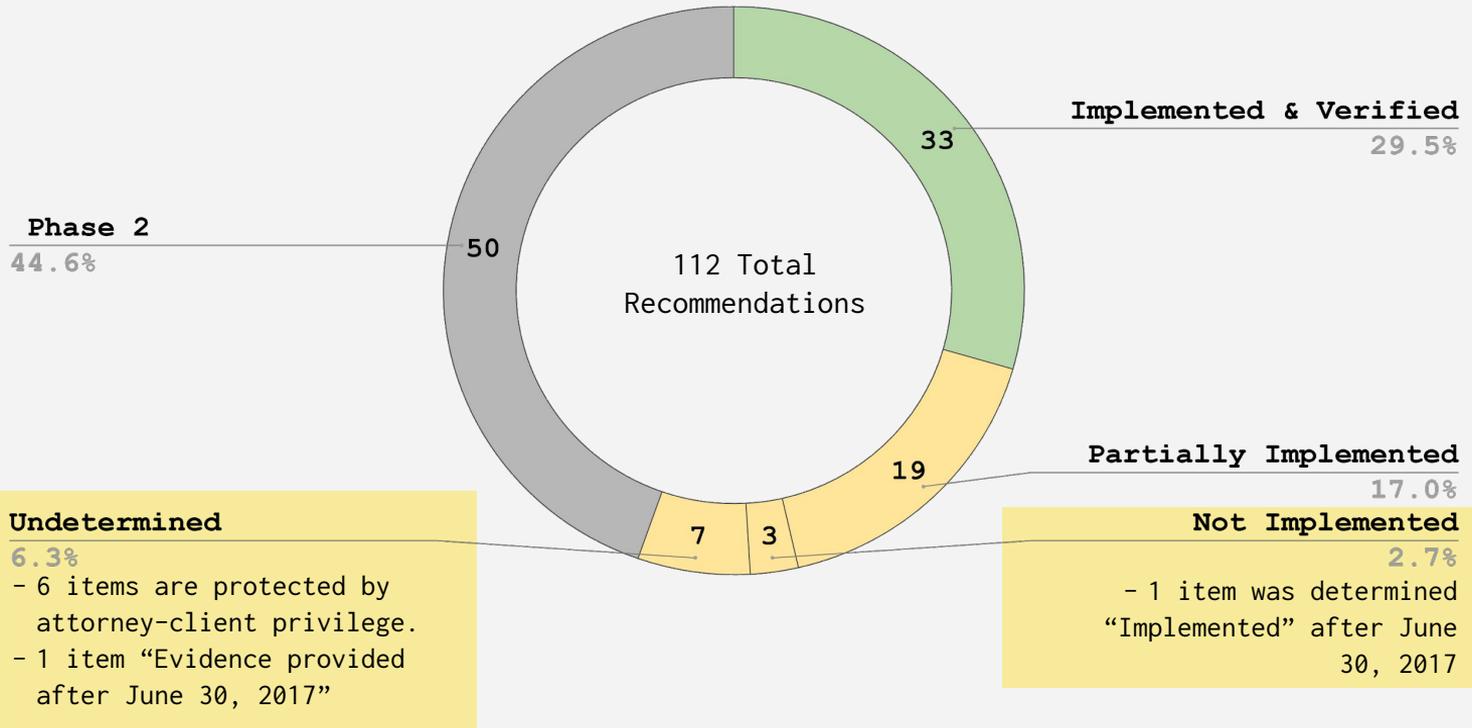


Director of Internal Audit Review - The District hired a Director of Internal Audit (DIA). This position was created in response to a VLSFAI recommendation, creating a standing independent auditing capacity within the District. This role provides WCCUSD with the capacity to review the implementation of recommendations in a timely manner. The DIA will review and verify the VLSFAI recommendations upon implementation by the District.

Moss Adams Review Phase 1 Results – March 2019



The Director of Internal Audit will review and verify all outstanding Phase 1 recommendations.



Additional Resources to Support Implementation



To support implementation, on May 8, 2019, the Board of Education approved contracts with **Colbi Technologies (“Colbi”)** and **Swinerton Management and Consulting (“SMC”)**.

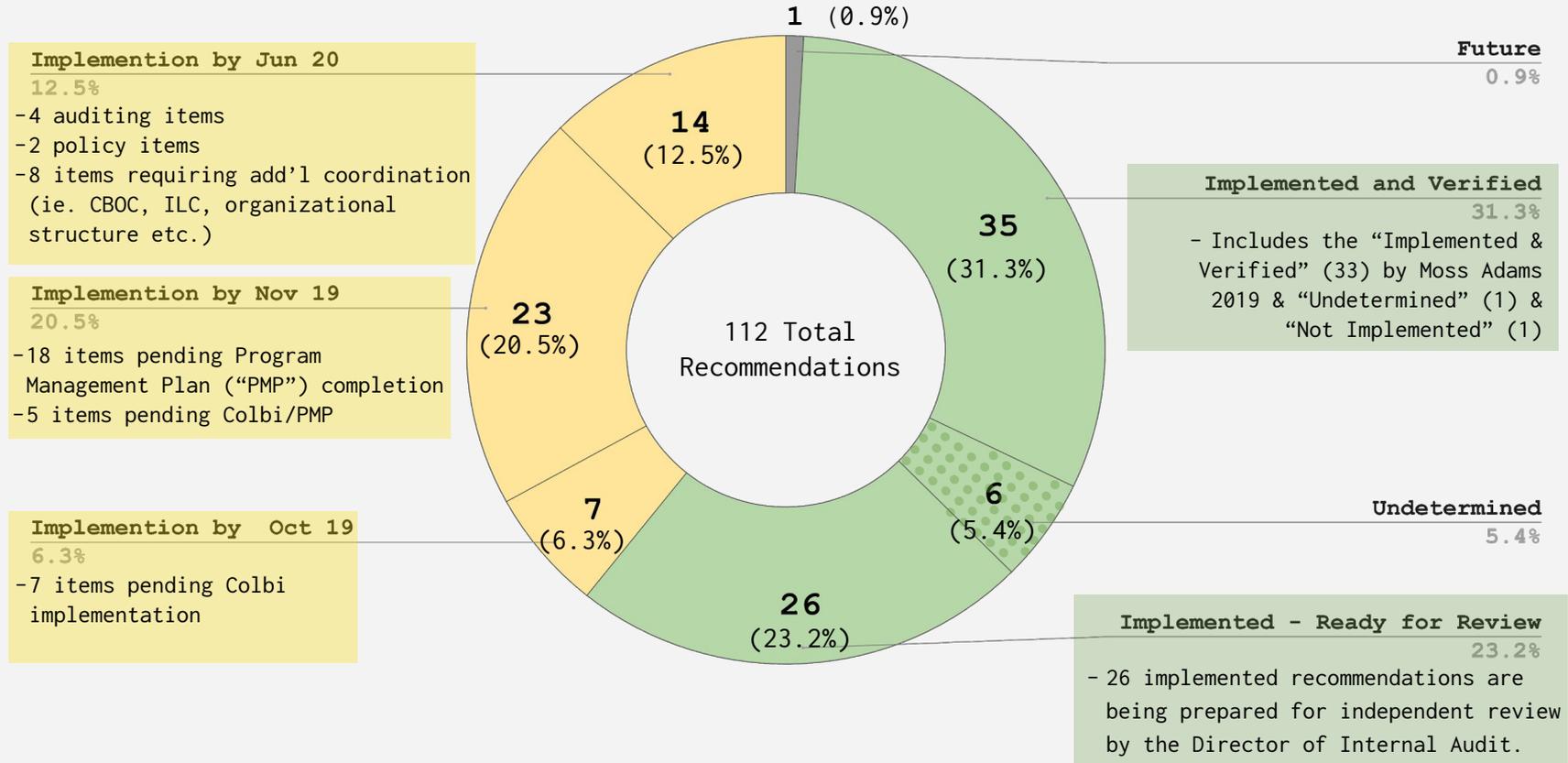
Financial Reporting

- ◀ Colbi provides program and project financial management and reporting software.
- ◀ Anticipated Implementation scheduled for October 2019
- ◀ **Implementation will resolve 12 recommendations including 1 high risk**

Bond Program Management Plan (“PMP”)

- ◀ SMC will assist District staff in formalizing written policies and procedures that document the internal control practices implemented by staff.
- ◀ Anticipated Implementation scheduled for November 2019
- ◀ **Implementation will resolve 23 recommendations, including 8 high risk**

August 2019 – Work Plan & Progress Update for all recommendations



Anticipated Work Plan & Implementation Timeline

	Anticipated Implementation Work Plan Dates			
	as of August 2019	by October 2019	by November 2019	by June 2020
Total Implemented & Verified	33			
Total Implemented	67	74	97	111
% Implemented (Total Items 112)	60%	66%	87%	99%
Total High Risk Items	7	8	15	21
% Implemented (Total Items 21)	33%	38%	71%	100%

Next Steps

- ◀ Implementation Task Force - September 2019
- ◀ Facilities Subcommittee - October 2019
- ◀ Bi-Annual Board Update - November 2019