Implementation of Recommendations

October 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, Operations
Margarita Romo, Internal Auditor
Melissa Payne, Director of Contracts
vacant, Solutions Team Member
Cameron Moore, Citizens’ Bond Oversight Committee Member
Tony Wold, Associate Superintendent, Business Services
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.

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.

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.

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.

Internal Auditor Review – The District’s Internal Auditor (IA) will independently review the implementation of recommendations in a timely manner. The IA will review and verify the VLSFAI recommendations upon implementation by the District.
Moss Adams Review Phase 1 Results – March 2019

- 1 item was determined “Implemented” after June 30, 2017
- 6 items are protected by attorney-client privilege.
- 1 item “Evidence provided after June 30, 2017”

The Internal Auditor will review and verify all outstanding Phase 1 recommendations.

- Implemented & Verified: 29.5% (33 items)
- Partially Implemented: 17.0% (19 items)
- Not Implemented: 2.7% (2 items)

112 Total Recommendations

Phase 2: 44.6% (50 items)
Additional Resources to Support Implementation: Colbi Implementation

Colbi provides program and project financial management and reporting software.

Bond Program Site Budget Status Report

Consolidated Budget Status Report
Budgets versus Commitments and Expenditures for multiple Projects

Bond Program Project Budget Report
Budget Status Report
Budget versus Commitments and Expenditures
October 2019 - Work Plan & Progress Update for all recommendations

- 112 Total Recommendations

1. Implemented and Verified
   - Includes the “Implemented & Verified” (33) by Moss Adams 2019 & “Undetermined” (1) & “Not Implemented” (1)
   - 31.3%

2. Implemented - Ready for Review
   - 26 implemented recommendations are being prepared for independent review by the Director of Internal Audit.
   - 23.2%

3. Future
   - 0.9%

Implementation by Jun 20
- 12.5%
  - 4 auditing items
  - 2 policy items
  - 8 items requiring add’l coordination (ie. CBOC, ILC, organizational structure etc.)

Implementation by Nov 19
- 20.5%
  - 18 items pending Program Management Plan (“PMP”) completion
  - 5 items pending Colbi/PMP

Implementation by Oct 19
- 6.3%
  - 7 items pending Colbi implementation

Undetermined
- 5.4%

- 26 implemented recommendations are being prepared for independent review by the Director of Internal Audit.
## Anticipated Work Plan & Implementation Timeline

### Anticipated Implementation Work Plan Dates

<table>
<thead>
<tr>
<th></th>
<th>as of August 2019</th>
<th>by October 2019</th>
<th>by November 2019</th>
<th>by June 2020</th>
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</thead>
<tbody>
<tr>
<td><strong>Total Implemented &amp; Verified</strong></td>
<td>33</td>
<td></td>
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<td><strong>Total Implemented</strong></td>
<td>67</td>
<td>74</td>
<td>97</td>
<td>111</td>
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<tr>
<td><strong>% Implemented (Total Items 112)</strong></td>
<td>60%</td>
<td>66%</td>
<td>87%</td>
<td>99%</td>
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<td><strong>Total High Risk Items</strong></td>
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<td>8</td>
<td>15</td>
<td>21</td>
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<tr>
<td><strong>% Implemented (Total Items 21)</strong></td>
<td>33%</td>
<td>38%</td>
<td>71%</td>
<td>100%</td>
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### Next Steps
- Implementation Task Force - December 2019
- Facilities Committee - January 2019
- Bi-Annual Board Update - November 2019
Read VLS FAI Recommendation and determine its purpose and intent.

Review Implementation Details to identify individuals responsible, implementation status, and timeline.


Read Scope/Plan. If available, compare to the Moss Adams Observation from the FAI Review Report to better understand the district’s action plan to implement the recommendation.

Read through Major Activities & Milestones for evidence of implementation.
Review Resources to identify and evaluate supporting documentation.

Review Deliverables to understand how the Resources support implementation of the Recommendation and reflect the Scope/Plan.

Read Updates to see how the district’s implementation efforts have evolved after implementation.

Determine if the recommendation is implemented or if additional work is required before it can be rendered implemented and verified. Complete and provide a written review.