

Implementation Plan Update

Forensic Accounting Investigation Report dated September 2016

Facilities Subcommittee

October 17, 2017

Implementation Task Force Members:

Matthew Duffy, Superintendent

Lisa LeBlanc, Associate Superintendent

Jackie Kim, Director of Internal Audit

Melissa Payne, Director of Contracts

Rhem Bell, Solutions Team Member

Auna Harris, Citizens' Bond Oversight Committee Member



Background

- Phase II Forensic Accounting Report was accepted by the Board on September 21, 2016 and provided a 30-day public comment period
- The report contains 112 recommendations to reduce the District's risk, improve overall operational and administrative efficiencies
- The Board approved an Implementation Task Force which met October 21, 2016, December 16, 2016, March 31, 2017, June 23, 2017, and September 28, 2017
- The Draft Implementation Plan was approved by the Task Force on October 21, 2016
- Reporting timeframes for the Facilities Subcommittee and Board were approved by the Task Force
- The two year timeframe for completing the Implementation Plan was approved by the Task Force and is anticipated in October 2018

Meeting and Reporting Timeline

Implementation Task Force Meetings:

December, March, June, September

Facilities Subcommittee:

January, April, July, October

Board of Education:

February and November

Update on the September Implementation Task Force Meeting

- The internal auditor reported out her recent activities
 - Discussed her review of implemented recommendations including the need for additional back up documentation to comply with standard audit procedures
 - Reported that the fraud video has been circulated as mandatory training for district-wide employees
 - Showed clips from the fraud training to the taskforce
- The taskforce reviewed the recent recommendations that were implemented to date with an emphasis on high risk budget items

Progress to Date on All Recommendations

Status	Recommendations Completed as of January 2017	Recommendations Completed as of February 2017	Recommendation Completed as of March 2017	Recommendation Completed as of June 2017	Recommendations Completed as of October 2017
Implemented	36	39	54	63	69
Under Review / In Process	71	68	53	44	39
For Future Implementation	5	5	5	5	4
TOTAL	112	112	112	112	112
Percentage Complete	32%	34%	48%	56%	61%

Note: Once a recommendation is implemented the status will be labeled “implemented”. Many recommendations require ongoing implementation to ensure continuation of best practices.

Bond Fiscal Update

- TC 6-1 Develop and Implement Written Procedures related to Budgeting Practices – High Risk

Practices and Procedures developed and documented for Fund 21:

- Budget Adoption Process for bond program full-time equivalents and project budgets
- Budget Transfers
- Budget Increases and Decreases

Bond Fiscal Update

- TC 6-7 Develop and Implement Written Procedures related to Bond Project Budget Status – High Risk
- Prior to 2015, the bond program provided the Board with a document entitled “Expenditure Authorization Worksheet” (EAW) which did not include all site expenditures
- On October 19, 2016, the first Bond Program Site Budget Authorization was approved by the Board and will continue as needed
- Procedures have been developed and will continue to be refined

Next Updates

- Facilities Subcommittee – January 2018
- Board of Education – November 2017