

# Implementation Plan Update

Forensic Accounting Investigation Report dated September 2016

Board of Education  
November 15, 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 Facilities Subcommittee received a progress report on October 17, 2017
- On October 18, 2017, the Board of Education approved a contract with Moss Adams to perform an audit on the implemented recommendations
- The two year timeframe for completing the Implementation Plan, i.e. October 2018, was approved by the Task Force which may need to be reassessed based upon progress over the next year

# Meeting and Reporting Timeline

Implementation Task Force Meetings:

December, March, June, September

Facilities Subcommittee:

January, April, July, October

Board of Education:

February and November

# 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 November 2017
Implemented	36	39	54	63	70
Under Review / In Process	71	68	53	44	38
For Future Implementation	5	5	5	5	4
TOTAL	112	112	112	112	112
<b>Percentage Complete</b>	<b>32%</b>	<b>34%</b>	<b>48%</b>	<b>56%</b>	<b>63%</b>

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

# Internal Auditor Update

- Review of implemented recommendations to identify the need for additional back up documentation to comply with standard audit procedures
- Fraud video has been circulated as mandatory training for district-wide employees

# Bond Fiscal Update

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

## TC 6-1

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

## TC 6-7

- 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

# Contracts Update

- Vendor Contract Administration:
  - TC 7 – Vendor Due Diligence
  - TC 8 – Vendor Contracts
  - TC 9 – Bidding Process

The procedures for vendor contract administration have been updated to reflect current practice including the implementation of recommendations from the forensic investigation and best practices.

The implementation of the recommendations is outlined in a flow chart that incorporates the updated procedure, new forms, staff training and reference materials.

# Next Updates

- Facilities Subcommittee – January 2018
- Board of Education – February 2018