

Finance, Audit and Department Matters Committee Meeting

Wednesday, December 14, 2011
Room 321, State Office Building
165 Capitol Avenue, Hartford

Minutes

Members Present: Mrs. Patricia B. Luke, Chair
Mr. Allan B. Taylor
Stephen P. Wright

Others Present: Mr. Levy Gillespie
Mr. Richard LeMay

The meeting was called to order at 9:42a.m.

I. Approval of Minutes – September 14, 2011

A motion was made by Mr. Wright, seconded by Mr. Taylor, and unanimously adopted to approve the minutes of the Finance, Audit and Department Matters Committee meeting on September 14, 2011.

Vote: Yes: Mrs. Luke, Mr. Taylor, Mr. Wright
No: 0
Abstained: 0
Absent: 0

II. Office of Internal Audit Agenda Items (Mr. Richard LeMay)

- a) Annual Audit Report – Fiscal Year of July 1, 2010 – June 30, 2011
Mr. LeMay briefed the Committee regarding the OIA Annual Audit Report for the fiscal year ended 6/30/2011. It was agreed that the Annual Audit Report be distributed to the entire SBE for their information only.

Mr. LeMay asked the Committee if they wanted the Audit Status Report for the School Construction Grant. The Committee was in agreement and Mr. LeMay stated it would be submitted to them by the end of January of 2012.

- b) CTHSS Audit Activities – Oliver Wolcott Report Issued – Windham Inventory
The OIA issued the Oliver Wolcott report and the responses were not received as of this meeting.

Mr. LeMay informed the Committee that the Windham inventory is still in process and OIA is continuing to monitor the inventory process. This was the first inventory that OIA has monitored which is being done using the new inventory procedures.

- c) IDEA – Federal Monitoring Visit
Mr. LeMay updated the Committee on the monitoring visit from USDOE, the review took four days to complete. The monitoring review went smoothly due to the large

amount of information provided to the review team by the Bureau Special Education prior to the team's arrival. The Review team indicated a few minor findings. However, the report has not yet been received.

- d) ARRA/SFSF Update
Mr. LeMay updated the Committee that OIA had completed the review of SFSF for 2010 and is in the process of completing a summary of its activities.
- e) Review of Charter School Applications
Mr. LeMay explained the Office has reviewed the new Charter School Application and relayed our recommendations to the Charter School Consultant. In addition, Mr. LeMay informed the Committee that the OIA is again participating in the Charter School renewal visits which will happen over the next month and a half.
- f) CREC Magnet Supplemental Transportation Agreed Upon Procedures Program
Mr. LeMay briefly updated the Committee about this audit which is being performed by an external certified public accounting firm.

Committee members again inquired why it took special legislation to have a targeted audit performed on the CREC transportation program. Mr. Wright requested a copy of the legislation that allowed this review to be performed and stated that he will research the history of the Public Act.

- g) ACES and CES Magnet Supplemental Transportation
Mr. LeMay informed Committee of the status of both of these reviews. CES was completed and the ACES review is anticipated to be completed by the end of the calendar year.
- h) Update Memorandum of Understanding School Construction (MOU)
Mr. LeMay discussed the current status of the MOU with DCS/DAS and stated that no new personnel have been added to the OIA. Therefore, any additional new school construction audits are not being conducted. Furthermore, there as been a request from DAS that SDE transfer to DCS, two vacant Associate Accounts Examiner positions so the audits of the school construction projects can move forward. Mr. LeMay stated to the best of his knowledge the SDE has not responded to this request.

Both Mrs. Luke and Mr. Taylor expressed concerns about transferring positions prior to appropriately staffing the OIA. Mr. Taylor suggested exploring the possibility of making the two position transfers with assurance that one position here at OIA will be filled.

- i) Cross Training of Current Staff
Mr. LeMay stated to the Committee that due to the small number of staff numbers in OIA he is cross training the staff in all facets of the operation of OIA functions.

IV. **Other Matters**

Mr. Gillespie updated the Committee on the status of the Affirmative Action Plan. He indicated that new standards are being developed at CHRO. There was discussion of the Affirmative Action Plan and CHRO issues.

At 10:34a.m. the meeting was adjourned by unanimous consent.

Recorded by Patricia Johnson, Secretary, Office of Internal Audit