

Finance, Audit and Department Matters Committee Meeting

**Wednesday, September 25, 2013
Room 232, State Office Building
165 Capitol Avenue, Hartford**

Approved Minutes

Members Present: Mr. Allan Taylor, Chair
Ms. Andrea Comer
Mr. Stephen Wright

Others Present: Mrs. Pamela V. Charland, Assistant to the Commissioner and
State Board of Education
Ms. Kathy Demsey, Chief Financial Officer
Mr. Levy Gillespie, Equal Employment Opportunity Director
Ms. Gloria McCree, Director of Internal Audit

Members Absent:

The meeting was called to order at 9:43a.m.

I. Approval of Minutes – May 28, 2013

A motion was made by Mr. Taylor, seconded by Mr. Wright, and unanimously adopted to approve the minutes of the Finance, Audit and Budget Committee meeting on May 28, 2013.

Vote: Yes: Mr. Taylor and Mr. Wright
No: 0
Abstained: 0
Absent: 0

II. Financial Matters (Ms. Kathleen Demsey)

Ms. Demsey updated the Committee on the Department's efforts in staffing vacant positions within the agency. She explained the process and terms of hiring. The Office of Policy and Management is working with the Department in filling positions. The Committee was briefed on the financial problems facing the Town of Winchester and the potential impact on the Board of Education's budget.

III. Affirmative Action Agenda Item (Mr. Levy Gillespie)

Mr. Gillespie gave a brief summary of the SDE Affirmative Action Plan which was approved by the Commission on Human Rights and Opportunities.

IV. Office of Internal Audit Agenda Items (Ms. Gloria McCree)

Ms. McCree informed the Committee that during the fiscal year auditors attended training seminars and participated in various webinars sponsored by the Institute of Internal Auditors. The audit standards require that an audit staff possesses the knowledge and skills necessary for the performance of an audit. Staff should maintain and improve their professional proficiency through education and training. By participating in these training opportunities, the knowledge and skill sets of the OIA remain current, the training standard is met and auditors are able to fulfill their continuing education requirements.

Ms. McCree also updated the Committee on the status of the Memorandum of Agreement (MOA) for the two Department of Administrative Services (DAS) auditors who are currently working within OIA. Ms. McCree stated that based on the magnitude of the dollars involved and the statutory requirement for audits of construction grants, it is very important that the construction auditors are properly trained and supervised. The MOA was extended to June 30, 2014 so that training may continue and a DAS supervisor be assigned. OIA will provide training and ongoing support to the DAS supervisor and auditors as needed.

Ms. McCree also informed the Committee that OIA is in the process of reviewing its technology requirements. The first goal is to improve and expand the functionality of the existing databases within OIA; the second objective is to determine the viability of converting to electronic work papers which should improve the processes and productivity within OIA.

Updates on significant audit activity, findings and recommendations associated with school construction grants, education cost sharing (ECS) grants, federal and state single audit, charter and magnet schools financial accountability, forms review and analysis, Connecticut Technical High School Systems (CTHSS) audits, educational jobs fund program (EJFP) audit and special audit reviews were discussed. Ms. McCree also stated that OIA continues to work with Auditors of Public Accounts to ensure that audit work is coordinated and is not duplicative.

At 10:40a.m. the meeting was adjourned.

Recorded by Patricia Johnson, Secretary, Office of Internal Audit