

Finance, Audit and Budget Committee Meeting

**Thursday, May 29, 2014
Room 232, State Office Building
165 Capitol Avenue, Hartford**

Approved Minutes

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

Others Present: Ms. Pamela V. Charland, Assistant to the Commissioner and
State Board of Education
Ms. Kathy Demsey, Interim Chief Financial Officer
Ms. Gloria McCree, Director, Office of Internal Audit

Members Absent: Ms. Andrea Comer

The meeting was called to order at 1:20 p.m.

I. Approval of Minutes – February 18, 2014

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 (Committee) meeting on February 18, 2014.

Vote: Yes: Mr. Taylor, Mr. Wright,
No: 0
Abstained: 0
Absent: 1

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

a) Approval of Office of Internal Audit Fiscal Year 2014-2015 Audit Plan:

Ms. McCree informed the Committee that the Memorandum of Understanding (MOU) with the Department of Education and Department of Administrative Services (DAS) would be ending effective June 30, 2014 and the two positions in the area of school construction would be transferred to DAS. She discussed the impact of the transition on the 2013-2014 Plan. Ms. Demsey stated that she planned to transition the school construction related activities performed in her area to DAS. A meeting is scheduled for Monday, June 2, 2014 with Commissioner DeFronzo of DAS to discuss the transition.

Ms. McCree highlighted the audit plan and estimated timeframes for completion of each area of the plan.

She noted that a great deal of time is spent every year on school construction audits. The amount of grant funds involved is tremendous, with millions of dollars going through the Department.

The review of grants is extremely important because of the magnitude of dollars and the level of public interest in ensuring that grants are properly distributed.

The federal/state single audit issues comprise a large number of staff days. Reports from independent public accountants are reviewed, and OIA works directly with towns to resolve issues and improve internal controls.

OIA conducts site visits, reviews financial reports, as well as reviews applications for new charters/magnets.

OIA staff will work a number of days with the CT Technical High School System (CTHSS). A great deal of time is spent on the review of inventory issues.

The internal calculation forms review process also involves a magnitude of grant funds. OIA works closely with the Bureau of Grants Management during the review of all grant calculations.

OIA will continue working with the Auditors of Public Accounts to coordinate activities in order not to duplicate efforts. Also, OIA conducts special projects as requested by Department managers. Lastly, time is set aside for staff training throughout the year.

Mr. Taylor moved, Mr. Wright seconded, that the Committee recommend to the full State Board of Education to approve the Office of Internal Audit fiscal year 2014-2015 Audit Plan.

Vote:	Yes	Mr. Taylor and Mr. Wright
No	0	
Abstained	0	
Absent	1	

At 1:57 p.m. a motion was made by Mr. Taylor and seconded by Mr. Wright, and unanimously adopted to adjourn the Finance, Audit and Department Matters Committee meeting.

Recorded by Patricia Johnson, Secretary, Office of Internal Audit