

Finance, Audit and Budget Committee Meeting

Monday, May 18, 2015
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, Chief Financial Officer
Mr. Levy Gillespie, Director, Equal Employment Opportunity
Ms. Gloria McCree, Director, Office of Internal Audit

Members Absent:

The meeting was called to order at 9:54 a.m.

I. **Approval of Minutes – February 20, 2015**

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 February 20, 2015.

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

II. **Finance Matters (Ms. Kathy Demsey)**

A. Legislative Update

Ms. Demsey updated the Committee as of the status of the legislative budget which is still pending. She discussed the current and upcoming Department's budget based on various programs, projects and school districts. She also discussed pending legislative activity relative to minimum budget requirement (MBR changes and High School graduation.

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

A. Approval of Office of Internal Audit FY 2015-2016 Audit Plan

Ms. McCree informed the Committee on the Office of Internal Audit's (OIA) projects and programs. She updated the Committee on the current year's timeframes of various concerns of the office with the workload increasing and the need for more staffing. She addressed the important issue of an individual retiring from the office and a replacement. She stated the amount of grant funds involved is tremendous, with millions of dollars going through the Department.

Committee members were informed on the special projects and reviews that was at the request of the Commissioner and other Administrative staff.

Ms. McCree discussed the OIA Annual Audit Plan for the fiscal year 2015-2016. She noted federal/state single audit issues, reports from independent public accountants that are reviewed by OIA, the office's relationship working with districts to resolve issues and improve internal controls, providing information and documentation the Auditors of Public Accounts, OIA works on grants with the Bureau of Grants Management regarding grant funding and issues, special reviews and projects in need of OIA implementing quality control and requirements based on state and federal legislation.

She explained OIA works closely with the Department's Legal and Fiscal offices to insure policies and procedures are be followed and the need intervention with the school districts, school administrative staff and school business offices to ensure funding of programs are allocated. She noted the OIA and the relationship with Office of Policy and Management.

Ms. McCree highlighted specific areas of the Audit Plan to address changes due to specific school districts in need of systematic guidance and requirements. She informed the Committee that 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 managed and distributed.

The Committee was updated on the important requirements of the OIA trainings, seminars and webinars that is ongoing throughout the each fiscal year which is part of the audit plan.

Mr. Wright moved, Mr. Taylor seconded, that the Committee recommend to the full State Board of Education to approve the Office of Internal Audit fiscal year 2015-2016 Audit Plan.

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

At 10:51a.m. the meeting was adjourned.
Recorded by Patricia Johnson, Secretary, Office of Internal Audit