

Finance, Audit and Budget Committee Meeting

Friday, June 3, 2016
Room 232, State Office Building
165 Capitol Avenue, Hartford

Approved Minutes

Members Present: Mr. Allan B. Taylor, Chair
Mr. Joseph Vrabely
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: 0

The meeting was called to order at 10:39 a.m.

I. Approval of Minutes – February 25, 2016

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 25, 2016.

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

II. Finance Matters (Ms. Kathy Demsey)

A. Third Quarter Financial Report

Ms. Demsey presented the Committee with the 2015-2016 Third Quarter Financial Report which reflected the department's general fund budget activities through March 31, 2016. The report reflected adjustments made pursuant to holdbacks, carry forward funds, transfers between accounts and the deficit mitigation bill, Public Act 15-1, passed during the December 2015 Special Session. It is anticipated at this time that the agency will finish the fiscal year with a small surplus.

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

A. Approval of the Office of Internal Audit FY 2016-2017 Annual Audit Plan

Ms. McCree discussed the Office of Internal Audit (OIA) Annual Audit Plan for fiscal year 2016-2017. She highlighted the need for increased audit time in the federal and state single audit area given the changes in the requirements as defined in the Uniform Administrative Requirements, Cost Principals and Audit Requirements for Federal Awards (Uniform Guidance). She indicated that these changes in requirements will not only impact the work within OIA but also in the program manager areas. Ms. McCree stated the additional time has also been allocated to

special audits given the increase in audits in this area during fiscal year 2015-2016. These types of audits often require significant time commitments due to their complexity. OIA will continue to focus on completing operational and compliance audits within the Connecticut Technical High School System (CTHSS) with the objective of auditing each school on a cyclical basis. OIA will also continue to support the Bureau of Choice Programs by participating in renewal visits of the charter schools and in providing internal control consultative advice.

IV. **Other Matters**

Mr. Gillespie stated that the CSDE's affirmative action plan has been submitted internally for review prior to being submitted to the Connecticut Commission on Human Rights and Opportunities on June 30, 2016.

At 11:44 a.m. the meeting was adjourned.

Recorded by Patricia Johnson, Secretary, Office of Internal Audit