

Board Special Meeting

Work Session: State Auditor's Office Exit Conference

Wednesday, May 25, 2021 4:30 PM-5:30 PM

Meeting held remotely



Minutes

Call to Order

Director Hersey called the meeting to order at 4:30 p.m. Directors Harris, Dury, Hampson, Rankin, Rivera-Smith and DeWolf participated with Microsoft Teams or by phone.

Work Session: State Auditor's Office Exit Conference

This work session was staffed by Chief Financial Officer JoLynn Berge

Chief Financial Officer JoLynn Berge introduced the State Auditor Office (SAO) team. Audit Manager Joe Smith introduced staff Jonathan Smith and Eileen Du that conducted the 2020 audit. Mr. Smith reviewed the results of the accountability audit. The accountability audit covers September 2019 to August 2020; it was found the District complied with all laws. SAO use a risk-based audit approach, for the District, they examine selected areas including financial condition, professional learning, local revenue sub fund, supplemental contracts, district vehicles and fuel cards, bonus pay resulting from COVID 19, controls over safeguarding of electronic devices, and citizen hotline. Mr. Smith review the fuel card management letter that was given to the District.

Public Advisor Ben Thompson asked what the population for the fuel card was. Mr. Smith stated of 57 incidents less than 10% of staff didn't enter the odometer reading properly. Mr. Smith explained they confirmed mileage was accurate and the fuel card is being used to only fuel District cars. He explained the possible reasons found in the audit.

Mr. Smith reviewed the summary for the Financial Audit Report. No significant deficiencies were found in the financial audit.

Director Hampson asked if other state Districts use General Accepted Accounting Practices (GAAP). Mr. Simmons confirmed most Districts around the country would use GAAP, however that is not the practice in Washington State, which follows accounting and financial statement guidance per OSPI.

Director DeWolf asked about the process and complaints for the citizen hotline. Mr. Smith explained citizens and employees can submit concerns to the SAO. He explained the process once a concern has been submitted.

Mr. Smith spoke about the federal grant compliance audit results. No significant deficiencies were found. He reviewed the major programs selected for audit review. Child nutrition, special education, Covid 19 elementary and secondary emergency relief fund and supporting effective instruction state grants. These costs amount to approximately 60% of the total federal expenditures for 2020.

Director Rankin asked what was included in special education cluster. Mr. Smith explained it means multiple programs were included in the special education audit, including preschool.

Mr. Smith reviewed the exit items recommendations. He confirmed these items have all been reviewed with the District management. Ms. Du reviewed the tracker program that is used for all audit information which the public has access to. Ms. Du explained the audit costs are aligned with the original estimate. The next audit will be in November 2021, and she explained what items will be included in the next audit.

Director Harris asked about professional development attendance and how the sample was selected. Mr. Smith explained the District provides five days of learning where as the State only requires 3 days be provided. And SAO confirmed the District complied with the State rules. The sample would have been expanded if more issues had been found when the audit began, however problems were not found.

Director Rivera-Smith asked about the laptop distribution. Mr. Smith explained the SAO were reviewing the controls around the process and based on that during the next year audit it will be pulled in for next audit.

Mr. Smith thanked District Staff for all the assistance during the audit process.

Adjourn

The meeting adjourned at 5:36 p.m.

This meeting was held remotely per the Governor's proclamation allowing public agencies to conduct meetings subject to the Open Public Meetings Act remotely to curtail the spread of COVID-19. Public access was provided remotely online and by teleconference.

Minutes submitted by:

The Office of Chief Financial Officer JoLynn Berge