

Finance, Audit and Budget Committee Meeting

Wednesday, February 28, 2018
450 Columbus Boulevard, Hartford
8th floor North – Conference Room A

Approved Minutes

Members Present: Mr. Allan B. Taylor, Chair
Mr. Joseph Vrabely
Mr. Robert Trefry (Ex Officio Member)

Others Present: Mrs. Kathy Demsey, Chief Financial Officer
Mr. Levy Gillespie, Director, Equal Employment Opportunity
Mrs. Nora Chapman, Supervising Accounts Examiner,
Office of Internal Audit

Members Absent: 1

The meeting was called to order at 9:44 a.m.

I. Approval of Minutes – November 29, 2017

A motion was made by Mr. Vrabely, seconded by Mr. Taylor, and unanimously adopted to approve the minutes of the Finance, Audit and Budget Committee (Committee) meeting on November 29, 2017.

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

(A motion was made by Mr. Vrabely to add the State Education Resource Center (SERC) issue to minutes it was seconded by Mr. Taylor.)

II. Financial Matters (Mrs. Kathy Demsey)

Mrs. Demsey briefed the Committee on the agency's current financial status and reviewed the Second Quarter Financial Report.

III. Office of Internal (OIA) Audit Agenda Items (Mrs. Nora Chapman)

Mrs. Chapman updated the Committee regarding the status of the Office of Internal Audit (OIA) projects. OIA completed the Federal and State Single Audit Reviews for 2015-2016 and has started the review process for fiscal year 2016-2017. There are approximately 500 Connecticut State Department of Education (CSDE) and the Office of Early Childhood (OEC) grant recipients including non-profit educational organizations.

Mrs. Chapman stated that the OIA is currently working with SDE and OEC Offices to update the OPM's 2017-2018 State Compliance Supplement for SDE and OEC grants. In addition, OIA's agreed upon procedures packages for 2017-2018 will be revised significantly to reflect SDE's new PSIS policy and the ED001s conversion to the Education Financial System.

The Committee was also updated on the yearly comprehensive financial audit selection process for state charter schools and the Regional Education Service Centers operated magnet schools. Path Academy Charter School and CREC University of Hartford Multiple Intelligences Magnet School was selected for 2017-2018. Mrs. Chapman told members that her staff has participated in charter school reviews, which encompass the charter management organization (CMO) agreement, budget, financial controls, etc. In addition, OIA participated in four charter renewals visits (Stamford Academy, Brass City Charter School, Explorations and New Beginnings Family Academy).

Mrs. Chapman discussed Connecticut Technical Education Career System (CTECS) audit activities regarding central office and the schools and also reported on other grant related and special reviews.

Mrs. Chapman explained that OIA is working with personnel on the replacement of positions in the office. In addition, OIA staff will be attending professional development classes offered by the Department of Administrative Services.

IV. Affirmative Action Matters (Mr. Levy Gillespie)

Mr. Gillespie reported to the Committee the Affirmative Action Plan is in process and will be submitted in June 2018. He stated that due to some recent concerns there has been a collaborative effort to resolve some issues regarding school climate within the CTECS.

Mr. Gillespie explained that the Department of Administrative Services has instituted a new application and hiring process, which may require the development of new hiring procedures.

V. Other Matters: SERC Update

The Committee discussed the Department's association with SERC being an educational resource center for the agency.

At 11.36a.m. the meeting was adjourned.

Recorded by Patricia Johnson, Secretary, Office of Internal Audit