

# Implementation of Recommendations

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September 2020

WCCUSD

Forensic Accounting Investigation  
Phase I Report

<http://www.wccusd.net/audit>



## Implementation Task Force Members:

Matthew Duffy, Superintendent

Luis Freese, Associate Superintendent, Operations

Tony Wold, Associate Superintendent, Business Services

Margarita Romo, Internal Auditor

Melissa Payne, Director of Contracts

Cameron Moore, Citizens' Bond Oversight Committee Member

vacant, Solutions Team Member

# Background

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**VLSFAI-** On September 21, 2016, the Board accepted the Vicenti, Lloyd & Stutzman, LLP Forensic Accounting Investigation (VLSFAI) Phase II Report, which offered 112 recommendations to improve management and oversight of WCCUSD's bond program. Some recommendations were assigned high, medium, or low - risk designations.



**Implementation Task Force** - An implementation task force comprised of district staff and representatives of key stakeholders was created to develop and monitor the plan for implementing recommendations.



**Moss Adams LLC Review of Implementation** - On October 18, 2017, the Board of Education approved a contract with Moss Adams, LLC to conduct a third - party independent review of the implementation of the VLSFAI recommendations. The scope of the contract provided for two phases:

- ▶ **Phase 1:** From November 2017 - March 2019, Moss Adams reviewed 62 recommendations that the District deemed implemented as of June 30, 2017. Each recommendation was reviewed and designated as "Implemented and Verified", "Partially Implemented", "Not Implemented", or "Undetermined".
- ▶ **Phase 2:** Moss Adams will review the remaining 50 recommendations. Phase 2 will begin when the District identifies all recommendations as implemented.



**Internal Auditor Review of Implementation** - The District's Internal Auditor (IA) will independently review the implementation of recommendations in a timely manner. The IA will review and verify the VLSFAI recommendations upon implementation by the District.

## Bond Program Management Plan & Audit Recommendation Alignment

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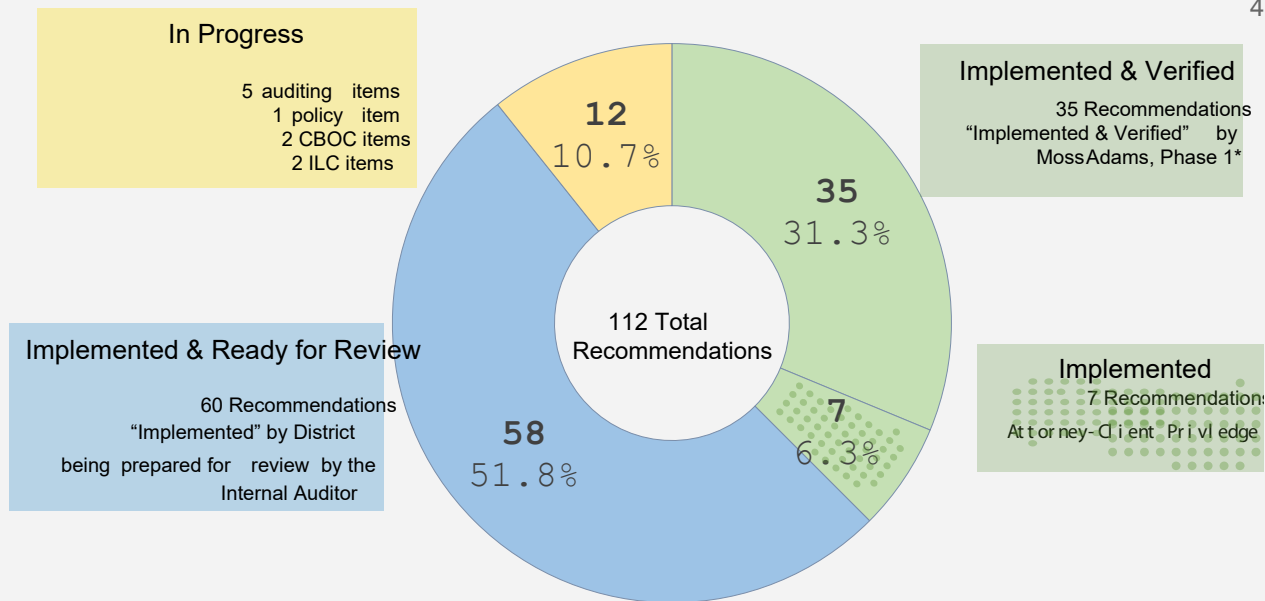
The Bond Program Management Plan is intended to provide the District with documentation of the internal controls that properly implement the District's policies, safeguard its assets, provide compliance with state and federal laws and regulations, and produce timely and accurate financial information.

### Forensic Accounting Investigation Phase II Report Recommendation Guide as of September 25, 2020

				Abbreviation Legend	
				PO	Program & Operations
				A	Administrative
				PM	Project Management
				F	Fiscal
				App	Appendix
ML #	VLS #	Brief Description	PMP		
1	TC 1-1	Advertise CBOC membership opportunities	PO 3.6.5		
2	TC 2-1	Clarify "review period" in Master Plan	PO 1.2.2		
3	TC 2-2	Bond Measure ballot language should refer to Long-Range Facilities Master Plan	N/A		
4	TC 4-1	Revise Governance Handbook to clarify Board role v. Management functions	N/A		
5	TC 4-2	Board Member Brown Act training	N/A		
6	TC 4-3	Revise Governance Handbook to strengthen Conflict of Interest section	N/A		
7	TC 4-4	Board Policy on Conflict of Interest specific to Board members & District vendors	N/A		
8	TC 4-5	Governance Handbook & Board Policy of Board members authority over amendments	N/A		
9	TC 4-6	Annual Board Member training on the Governance Handbook	N/A		
10	TC 5-1	Annual Internal Review of Long Range Facilities Master Plan	PO 1.2.2		
11	TC 5-2	Procedure for multi-year budgets for Priority Schools in Facilities Master Plan	F 1.1; App 1.6.1, 1.5.1		
12	TC 6-1	Procedure for budgeting practices: preparation, tracking, reporting & approval	F 1.1; App 1.6.1, 1.5.2		
13	TC 6-2	Budget verification prior to approval of contract or change order by Board	F 1.3.2; App 1.5.2, 1.6.3		
14	TC 6-3	Budget verification documentation	F 1.3.2; App 1.5.2, 1.6.3		

# September 2020 Work Plan & Progress Update for all recommendations

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Anticipated Implementation Timeline	February 2020	October 2020
Total Implemented & Verified*	35	
Total Implemented	100	112
% Implemented (Total Items 112)	89%	100%
Total High Risk Items	17	21
% Implemented (Total Items 21)	81%	100%

\*Phase 1, Recommendations implemented by 6/30/17

## Recommendations In Process

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Master List #	VLSFAI Reference	Strategy & Next Steps	Risk	Description
33	TC 8-8		Med	Audit vendor contracting
37	TC 11-3		Med	Audit vendor invoice rejection process
51	TC 13-10		High	Audit add service and change order process
54	TC 14-2		High	Review Multi - Year use and function in MUNIS
61	TC 14-9		High	MUNIS access rights - Designated to Director of Internal Auditor, requires DIA oversight for Munis access rights
76	FI 1 - 1			District Business Ethics Expectation Policy for vendors
77	FI1-2			ILC Policy Review
78	FI1-3			ILC Material Review
96	FI6-2		High	Board Policy - Use of resources for CBOC
97	FI6-3		High	Board Policy - Establish CBOC budget