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Loudoun County School Board, Audit Committee Meeting, Monday, March 27, 2023

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[00:00:00] systems I'm glad to join here as a chair of this committee and tonight I have this evening I have it miss Ogadegdebe she's joined with me as the committee member and mr. John Beatty seems like he would not be able to join us today I think the first item we have is public comment I don't see any public comment tonight so we'll move down there's no minutes since it's the first meeting and no action items either so before we kind of jump into the information items I

[00:00:35] know I'm speaking just to a choir here but I think since it's a public meeting I have to address it I think this is something that the board have been you know I think this I'll start with mine it's one of the initiatives that I I believe that was missing in Loudoun County public school system where we create a good sort of healthy check and balances approach to it and I'm glad working with the board members and and the staff we're able to get this office in place and get the work going in there so I'm very excited to be part of this this committee with my fellow board fellow committee members and I guess

[00:01:15] with that I'll let you mr. Ahmad started do an introduction and then I think we can go through the agenda items well first thank you all for having us and really good to be here to finally be in our first committee meeting. So far, it's been one of establishing the Office of Auditor General. I've been blessed with people giving me time to set that up. And so now we move from one of establishing the office to now fulfilling the duties we were

[00:01:51] charged to do. And so one of the first things I want to do is present to you all, the members of committee first or current audits that we have started in this past week and one of the reasons we are starting this now is we now have our first staff member Alana Cooper to my left is the first auditor we expect to have our second one immediately after spring break so I guess for now we'll get into the discussion which is sure so you only have right now just two of you at the Yes, so right now it's us two with an additional third coming April 10th.

[00:02:30] Okay, great. Thank you. And then once we get the second auditor, we will be fully staffed. If you all are ready, I'll start with getting into our current audits. Please. So today's agenda for the current audits is, one, the Fine Arts Theater Program.

[00:02:55] We'll discuss, for both of them, we'll discuss why we did this audit, the objective and scope, the methodology we will use to perform these audits, and also the preliminary timeline and phases.

[00:03:11] Please understand that these timelines are preliminary because things can happen during the course of any audit, and so right now they're preliminary timelines and can be updated as we go along. So the first two audits we will do, the first one says audit of LCPS Fine Arts Theater Program.

[00:03:29] We'll get into more of the objective as we go to the further slides. The second audit is an audit of the Employment Eligibility Verification Form, I-9. So first, we'll just start with the theater program and why we did this audit.

[00:03:46] So last year, on May 24, 2022, Loudoun County School Board approved the final fiscal year 23 budget, which included a \$2.4 million stipend for the fine arts department. This large injection of capital to the fine arts program is an organizational change.

[00:04:05] Based on this change, this does pose its own risks, and because of that, the Office of Auditor General is performing the audit to assess the controls over the \$2.4 million stipend. The objective of this audit, which I kind of mentioned previously, is to audit and review controls over LCPS fine arts theater programs, \$2.4 million stipend, and ensure the program is operating per LCPS policy and state and federal regulations.

[00:04:35] Our scope is going to be the administration operating controls over the fine arts 2.4 million dollar stipend program to perform this audit we will review and obtain policies procedures regulations other pertinent documents we will interview management and staff regarding the risks and other areas of concern we will also perform a process walkthrough with process owners and what that is is when we sit down with the process owners to basically have them walk us through their day-to-day dealings with area with

[00:05:12] the subject area so we'll sit down with those who process the stipends and we'll really just you know sit down and listen to them as they go over their day-to-day workings I will also figure out the controls in place over the stipends and also the policies and regulations that are applicable to the stipend program upon that conclusion or during audit we'll also form an opinion to identify any internal control weaknesses in the process right now our preliminary phase is as on the board.

[00:05:46] We planned to start this, or we did start planning this audit on March 24th. We've previously held our entrance conference, which was last Friday, I think that was March 24th, as you'll see. And this planning phase is going to include our pre-planning, our entrance conference, which we've already performed, our planning meetings, also identify risks, and perform the process walkthroughs.

[00:06:11] This phase is going to make up the bulk of our audit. Developing a good plan will help narrow the scope, and so far I think we've already done a good job of that to limit it to the \$2.4 million stipend.

[00:06:28] Initially, I thought maybe it would be good to tackle more than that, but based on some reviews and research, I think just sticking to the \$2.4 million stipend is a good scope for this audit. Once we complete our planning phase, we'll move to our field work.

[00:06:45] Field work includes testing the controls over the processes. This should probably be, you know, hopefully we'd like to complete this by the end of June. Because this is a pretty complex, I would think, audit, this is going to be a little, it's going to take a little time to get to finish that testing.

[00:07:13] Once we complete that testing, we will hold exit conference with the stakeholders here in LCPS to go over our findings. Once that's complete, we will prepare a draft report that we will share with those stakeholders who will then have time to respond with comment on the management's action plan to address the findings.

[00:07:36] Once we go through that back and forth in those meetings, we will review the final draft and issue a report. The final report will be issued to those stakeholders, to the audit committee, to the superintendent, and to the chair of the school board.

[00:07:57] All right, so we'll, I'm sorry, yes. Thank you. I think we'll take some question answers after the first one, and then we can go to the next one. Ms. Ogre, do you think? Thank you. I just had a question. This is our first meeting and my first experience with an audit committee.

[00:08:14] So one of the questions I had about that first process with the fine arts stipends is I don't know if it would end up being in scope, but it's certainly part of the process. I know that this is an area that has added significantly to staff time in order to manage the stipend process.

[00:08:37] And one of the insights that I had heard was that they are paid based on people being added into a position. So in other words, HR has to onboard them into a stipend position, which is additional.

[00:08:56] If you're a full-time teacher, then you have a subsequent position, which then you're paid from. And I didn't know if there are opportunities, and I don't know what the legality is within the Commonwealth around additional supplemental pay and whether it has to be position-based or if it could just be like some other kind of supplemental pay and if there's opportunities to think about efficiencies as well as risks in your review.

[00:09:25] Just so understanding, we're worried that the indirect costs of maybe allocating costs to or adding a new position for the stipend, which would be in HR, is being paid under the stipend?

[00:09:41] So actually during the budget process, I had made a motion in consultation with Ms. Boland to not fund that position. And part of the thinking there and what I had talked about is perhaps there were other ways to make the process for stipend payments more efficient in general and so my question is in the scope of your audit review looking for risks through that process review if there are opportunities to rethink how that works I just wanted to raise that as an issue with you well I will note it if it is

[00:10:21] determined there's a gap there in efficiency you will make note of it but that would be dictated by what we do or not. So I think the motion failed, I believe. It's still out of the position, but the position was never added back in there?

[00:10:41] Okay. Because I would think that that would be a pass, so that we didn't add the position for the HR. Okay. Because then I think that would be, I'm not sorry, even if the position was there or not there, I guess the concern I would have is the scope is more on the stipend itself versus the distribution of the stipend, if that's what you're getting towards, right?

[00:11:03] Because the staff would have been there. If the staff is not there, what is the risk towards the stipend positions? Is that what your question is concerning? I think that's... No, so that's where I was sure. I wasn't sure if this would be within the scope of the audit because my question is not risk.

[00:11:20] It's more so process efficiency. And based on my understanding of the process that we currently follow to make stipend payments, it requires that staff who get a stipend have to be onboarded into a position because pay for the stipend is tied to a position as opposed to just like a standalone supplemental payment.

[00:11:45] And just thinking about administratively the steps that it takes to create the stipend positions, onboard people in, pull them, you know, take them back out once their time because they're finite periods for which they're compensated. I think what you're kind of getting at is an FTE for that stipend, for the performance of the stipend, or for the HRC?

[00:12:07] So I'm saying from a process standpoint, do we have to process stipends the way that we do now, or is there a different way to process them? So separate from FTE, just a process efficiency standpoint.

[00:12:27] I mean, I think now I'm understanding. So you're focusing more on the process, what it takes, and whether the process is going to be, is it currently efficient, or do we need to add more resources in the future? I mean, not that that's what your angle is, but you want to understand how the process is about handling the stipend, like you said, bringing up into a staff position and being able to pay that.

[00:12:52] Maybe that's one more thing. I know you're going to talk about the audit universe also at some point. Yes. So maybe the process improvements in different departments could be an angle to look at it, see if there's an efficiency, or do they really need to add more resources or support to the program? Maybe we can work on that to see if it warrants to be in different place versus this place.

[00:13:12] But again, I'll let you make the best determination if that's in scope or out of scope of that. I will say all audits that we perform, if there are audits, will have some level of identifying efficiencies or inefficiencies. That is part of what the audit process is, and when we do our testing of controls, is to see if something is inefficient.

[00:13:36] Also, during the planning phase, when we do our research, we'll also look for best practices and see if we're using those best practices. And sometimes, we create the best practices internally. And so, when we have an inefficiency and there's nothing out there, then it's up to management to come up with a best practice for that.

[00:13:58] And in this case, if they were to perform that, we would review it to either say, okay, we agree with management's plan, or we think they can do better. So that's how I perceive something like this happening. We would look for efficiencies where there are, you know, some inefficiencies.

[00:14:19] And that's going to be in all our audits, yes. All right, hearing no other questions, we'll go on to audit two. So the second audit we're currently performing is Audit of Employment Eligibility Verification

Form.

[00:14:37] This is an HR document that must be filled out within 72 hours of the new hires boarding day. So we did this audit because to ensure ongoing compliance with the employer sanctions provisions of the Immigration and Nationality Act, Office of the Auditor General will review controls and processes designed to ensure compliance with federal regulations related to Employment Eligibility Verification, Form I-9, commonly referred to as just Form I-9.

[00:15:11] Our objective and scope will be to review controls and processes designed to ensure understanding and prevent noncompliance per the Immigration and Nationality Act. will look at the universe of all new hire who onboarded between July 1st 2020 and June 30th 2022 once we receive that universe we will select a sample to review their i-9 forms to ensure that

[00:15:43] they were filled out correctly but we'll also test staff to ensure that they understand the laws, regulations, and if there is an accurate form that they go about doing it per USIS guidelines.

[00:16:00] USIS, it's by United States Customs, so they're the ones who give the guidance for I-9 forms and there is guidance on errors, and so it's pretty defined so we can go in and make sure that we are correcting the errors per federal regulations.

[00:16:21] The methodology will be the same and if you'll notice there's a common recurring theme with methodology. This is always going to be very, very similar, it's just the audit process. If there's a huge difference, we will add to this, but for now it's pretty much going to be standard for the methodology.

[00:16:42] Our preliminary timeline, we hope to be completed with the planning phase by March 21st and we hope to start our field work on March 24th. field work again for this one will be testing the actual I-9 forms that we select in our sample again we'll follow the same process when we get to the reporting phase we will provide the draft report to the stakeholders who will then have a period of time to issue the response as well as their

[00:17:16] management action plan to address any findings if there are any other any questions for audit 2. I have a question. I think I'm trying to, and I know we spoke about this, but I'm trying to understand so it's not so much the I-9 audit itself but the processes that we have in place, whether we're doing the I-9 form or I-9 verification correctly or not.

[00:17:50] That's what will be audited because I'll qualify the question saying because if it's just me having X number of errors, it should be I mean, I'm presuming HR department would be looking at that and saying, what are the gaps and why do we correct this?

[00:18:06] So, I mean, it's a good way. I mean, I think where we left off is I think it's a good way for audit committee to warm up. But I think it's, you know, again, there's a warrant in audit versus it should just be in a simple looking at the process and, you know, where the gaps are. And, you know, unless there's something like really huge of an issue for the LCPS to say we're just not compliant or we're missing and et cetera, then I can see somebody coming from outside and doing audit.

[00:18:34] And that's kind of what I'm trying to understand is the difference between a department doing it versus now you as an audit coming from outside and saying, well, it looks like, you know, we have a serious issue and you guys need to not follow in the process and so on and so forth. So I don't know if you can speak to that a little bit.

[00:18:49] Yes, I had similar assumptions when it was first brought up to perform this audit. However, I'll get back to that in a second. The thing with the I-9 forms, when they are performed incorrectly, we risk the chance of fine from the federal regulations.

[00:19:11] And so I had similar assumptions in the beginning. However, we have performed the entrance conference, and we learned that there were errors in the past where they did have to go and correct up to five years of I-9 forms. So I now understand where the concern arose from this audit.

[00:19:29] And I think based on those fixes that were performed, I think it is good that we do perform this audit to ensure that we are performing the I-9s per federal regulations because the risk here is one of penalty where we could cost us money.

[00:19:49] USIS will give you time to correct them. They'll say, okay, it's just you don't understand the process, but now that you have been brought up to speed and understand the process, we will allow this to go. If this continues for a third time or a second or third time, then we risk the chance for a penalty.

[00:20:08] And so this office that is tasked with preventing waste, I think it's good that we do this audit. Can you share what the five-year period was for which we had to make corrections?

[00:20:26] Right now, I cannot, but I can answer that question in the next meeting. We had our entrance conference last Wednesday, and so that request is still pending. And so when we get that request, we'll understand the five-year period.

[00:20:43] Thank you, Mr. Woods. I mean, we're looking forward to updates on this thing. Thank you. We can move to item number 502, which is audit policy.

[00:21:36] So, internal audit, as we are formed, we follow the Institute of Internal Audits International Professional Practices Framework, IPPF.

[00:22:00] The very first, which is commonly referred to as the standards, the very first standard is Standard 1000. And in that Standard 1000, it provides us that it's mandatory guidance that we enact an audit charter.

[00:22:20] So the first thing we did, we had the Audit Committee Charter, and now we have the Audit Charter. The purpose of the Audit Charter is to give us our purpose, our authority, and responsibility, elements or considerations for the charter, like we previously mentioned, our authority, organizational reporting, independence and objectivity, responsibilities, a quality assurance and improvement plan.

[00:22:48] So the charter does have in its language that the office must have a quality assurance improvement program, and that program we will perform annually. And right now, because we're our new office, I see that we should probably begin that, commonly referred to as QAIP, Quality Assurance Improvement Program, in the summer of 2024.

[00:23:13] That will give us a full year of audit work, full year of working with stakeholders who can properly respond to how we are performing as an office so the beginning of fiscal year 24 I see us beginning that and that will be part of the 20th the program audit program that we discuss in the next few meetings also this audit charter acknowledges uh will be signed by authority

[00:23:47] So it could be a designate from the audit committee, or it could be the chair board. Other members who would have to sign it would be the superintendent and myself. So three signatures, superintendent, the auditor general, and somebody from the school board.

[00:24:08] And this will give us our authority. I do know that I had conversations with Mr. Mahedovee to also do a policy. And so right now, I just have a charter, and the charter has been reviewed by council, and so it also has been reviewed by superintendent and myself.

[00:24:29] And so the copy you have is the completed version, and going forward, if you all like or you think it's necessary, we can also have a policy where many of the language from the charter go into the policy.

[00:24:45] However, there is going to be language that's in the charter that will not go into the policy because the charter is just not policy in that regard. And so I do have a question, and that question is based on your guys' opinions, if we should also make this a policy as well as a charter.

[00:25:10] Do you have any questions, just so good to me? Thoughts? Go ahead. I mean, so this comes from a place of not being as familiar, but in my work, work with charters often so charter is you know the establishes the boundaries and the scope of a program and certainly an internal audit program is what you're charged with overseeing the fact that it has three signatures on it which means that if it's revised those three parties or similar designees would have

[00:25:46] to be in agreement before it was updated I think provides appropriate oversight and involvement from the board, so I think a policy would be redundant personally. Okay. Thank you, Ms. Ogudekbe.

[00:26:03] I think I was coming back. I think what I shared with Mr. Woods was since we had a, I think we went to a similar sort of discussion on the Ombudsman's office too, where they also had a charter and then eventually a policy was created, just to, you know, so the entire board is aware.

[00:26:22] So it's not we as a committee are making a charter. Because, again, I think even for charter, for example, when we have the LEAF charter, B is collectively board voted on it. So I would hope that B, R and all, as a board collective agreement on whether the charter or whatever the policy is, so maybe we can work on to figure out with Mr. Slevin on what the best approach might be to take this forward.

[00:26:48] I don't have a good response tonight to say, but I think the policy simply makes it much more, You know, it fortifies it to what the ask is because, again, you know, as board members, we are passionate about this, but we never know what happens next year, and so the policy at least will set in place to do that.

[00:27:11] So we can work on to see how the next best steps could be to get this thing forward. I will add that these standards are up for interpretation, AND WE CAN TAYLOR THESE ITEMS THAT ARE STILL FOLLOWING THE STANDARD, BUT SUIT OUR NEEDS.

[00:27:33] AND I DO THINK THAT IF WE DID MAKE THIS A POLICY, IT WOULD ADDRESS THE STANDARD. SO IF WE EVER WERE PEER-REVIEWED, WE WOULD BE IN COMPLIANCE WITH THE STANDARD. ALSO, GIVEN ALL THE MOVING PARTS, HAVING A POLICY IS MORE STABLE.

[00:27:55] And the charter might be more traditional where auditors are used to, but that's because they're not used to having the whole policy put in place. They're used to just having the charter. I will say LCPS or Virginia Code calls that we review policies every five years.

[00:28:15] The standard would probably require that we review the policy a little bit more frequently, probably annually or every other year. So that's the only major difference I would see between a policy and

a charter. The charter we would review annually, maybe sign annually, whereas a policy, it's mandatory we review it every five years.

[00:28:33] So there is some review that is necessary. It's just the gaps would be a little bit larger with a policy. I would also add a third element to this is the regulations. So in Northern County, where we have policy, and then we have regulations.

[00:28:50] So policy goes through the board process and so on and so forth, but the regulations are a little bit more, gives staff more ability to make adjustments to it, as long as, like you mentioned, the standards, what's set in the policy, that's not changed, the essence does not change, but how you operate, how you execute certain things, which we don't want to add in the policy, we can certainly have regulations, so that can be updated as, you know, things being fluid or things change to that.

[00:29:17] So we can sort of work on to see what the next best steps would be in this process, But, no, it looks, I think we'll get a chance to review it and see if we come back with any more feedback. But with a course of action, we'll work on to see what will be the best path forward in putting this together.

[00:29:35] So just one final question. So would this be the finalization of the charter language would be an action item for next month? Yes. Okay, great. Thank you. No further question.

[00:29:50] I guess we can move to 503, Annual Audit Plan Process.

[00:29:55] All right, so this will be the Audit Committee's biggest action item.

[00:30:38] It's ongoing right now. We are in the very beginning stages of developing it. It is our annual audit plan. This is the process we perform to get to that plan, and so that's what this presentation will cover, is the audit plan process.

[00:30:57] The audit plan is a guide that is developed for the utilization utilization of divisions resources during the fiscal year to address identified risks in loudon county public schools audits and other project projects selected for review and included in the annual audit plan are those areas that represent risk to the division the audit plan is a living document anytime we meet there can be recommendations to update the audit plan also it can be updated

[00:31:31] based on our audit resources staff turnover illness extended leave so it can always be updated based on those things so it's a very flexible document any significant updates will be approved by the audit committee the current audit plan will be based on our q4 fiscal year 23 resources and so for us that is the final fiscal year which ends june 30th so this plan will be based on the

[00:32:06] resources we have at that time again additional projects can be submitted to the audit committee for review approval as needed based on any significant operational changes for special project requests and just to point out special project requests can come from school board they can come from executive members they can come from directors they can come from audit committee members once they come through though it is upon the audit committee to approve those special

[00:32:38] projects project objectives proposed in the plan are in general terms and what that means is the audit plan when presented for approval will be in a excel format i know up here it might be pdf but it'll be an excel format and it'll have the objective in there for you know while we're doing it, basically. However, that objective won't clearly be defined or can be defined in more

[00:33:12] detail once we start the audit. So in the plan, it's a very surface-level objective to meet the audit title or audit subject. And then once we start the audit, based on planning or based on pre-planning, we can more clearly define the objective of that audit.

[00:33:32] And this also helps with expediting the audit plan because the audit universe can be very robust. In a large organization such as ours, there can be over 100 audit types that we perform.

[00:33:49] And to expedite that approval plan, we just wanna have a shorthand version of the objective in the audit plan. So don't fret, when we perform the audit, we will clearly define the objective and we'll get more detail on that.

[00:34:09] The key risk factors for developing the risk plan will be the impact on division-wide policies and procedures, changes in systems, processes, policies and procedures. A good example of changes in systems is the \$2.4 million stipend.

[00:34:27] Results in time since last audit engagement. If there are large gaps between their prior audits, then we might enact an audit based on the fact that there's higher risk. So if we perform the I-9 audit and 10, 15 years go by and there's no I-9 audit, then that's a large enough gap to say, it's been a long time since the last audit, it's time we do it again.

[00:34:53] We're new, so we personally don't have any large gaps, but individual departments who have been audited, there might be gaps there which would raise the risk level. the extent of government regulation again the i-9 is a good example i-9 is heavily regulated and could result non-compliance could result in fines and penalties information and communication if information is hard to come by if objectives that are supposed to be transparent are not

[00:35:30] that's that's reason for our risk to raise a risk so if we're asking for things in our department AND IT'S GETTING DIFFICULT FOR OUR DEPARTMENT TO OBTAIN INFORMATION THAT WE REQUEST, THAT POSES RISKS ON ITSELF BECAUSE IT IS ONE OF WHY AREN'T YOU PROVIDING THE INFORMATION REQUESTED?

[00:35:50] IT MIGHT BE ONE, YOU DON'T HAVE IT, THAT'S AN ISSUE, OR IT MIGHT BE YOU DON'T WANT TO PROVIDE IT, THAT'S AN ISSUE. AND SO INFORMATION AND COMMUNICATION AREAS ALSO ARE A RISK AREA. also transaction volume good example school tickets or football games have large ticket cells i think at the gate all over lcps division so friday nights and the transaction of cash receipts are high risk as opposed to digital payments that are collected and directly within in the LCPS systems.

[00:36:27] Also high staff turnover are concerns or risk levels. So all these factors play a role in developing and prioritizing audits and identifying which ones are that pose the highest risk to the governance here in LCPS.

[00:36:49] So how do we select these things? So when we perform our audits going forward in fiscal year 24, they will be predetermined this audit committee so the two current audits i'm performing have been based on discussions here within lcps and also actions that were enacting the budget but going forward selections of audits will be predetermined through the audit plan that this committee approves and so based on the key

[00:37:26] risk factors i just mentioned and based on a risk survey that was administered to senior staff here to all principals and to executives we will develop the audit universe and so what i did was in

december i sent out a risk survey to all principals who had until sometime in january to respond in that risk survey the question is what are your top risks how are you communicating our cps policies to your staff do you feel supported do you have the tools to do your

[00:38:04] day-to-day business and similar questions were sent out to all senior staff all executive members and based on those responses and from my own research and the research of staff in our office we will develop the audit universe also you all have a input in the audit universe as well as you mentioned earlier with the process of the stipends something like that can go into the audit universe and then we can review it and say, okay, out of all the things that

[00:38:41] we have in the universe, it's a risk, but there are higher risks, higher concerns. We are an office of three or two auditors and an auditor general, and so we have to use our resources wisely, and how we do that is identifying the highest risks and their priorities for LCPS, and that's basically what the audit plan is for, and so going forward next year audits that we perform will be selected out of this audit plan as approved by the audit committee the annual audit plan again is finalized audit is approved by the audit committee looking

[00:39:19] at the calendar i hope we can get that approved on the june 26th audit committee meeting because it will take a minimum of two meetings before approval to review all the potential audits we can perform and get feedback from staff here to help us prioritize risk and when we prioritize risk we also have to think about what is our risk appetite and that's basically saying that we know something is a risk but if it were to happen the impact on lcps doesn't arise to the level of maybe

[00:39:58] something else and so that takes a couple meetings to to go through and some back and forth to discuss RISKS IDENTIFIED IN THE AUDIT UNIVERSE. ARE THERE ANY QUESTIONS REGARDING THE AUDIT PLAN?

[00:40:16] THANK YOU, MR. BOODS. I HAVE QUESTIONS, BUT I'LL ASK MS. OKAY, FIRST. THANK YOU. SO MY QUESTION IS, SO WOULD WE HAVE YOUR KIND OF FULL LIST OF ITEMS NEXT MONTH AND THEN HAVE AN OPPORTUNITY TO DISCUSS PRIORITIES? IS THAT THE PLAN?

[00:40:38] YEAH, THAT IS THE PLAN. SO NEXT MONTH WOULD BE THE FULL LIST. there might be some items that are yet to be added but it'll be the bulk of items some items may be added to the to that list following meeting but i do plan to have the full book of the audit universe completed for the next meeting to start the discussion thank you so i think looking at the the date so so april 24th is when you bring the draft universe list and then we can discuss it

[00:41:13] So May 22nd, we can have some more items in there, and then finalizing is June 26th. Yes. So the May meeting, hopefully during that meeting, it can be risk prioritized. In other words, number one, risk will be at the top, and then sequential order in risk priority.

[00:41:34] Also, something you have to think about when developing the risk or the audit plan is resources. If there's something that is highly risky, it consumes a lot of resources. Sometimes we have to think to ourselves, if we do this audit, there's opportunity costs and there's going to be things we miss out on by doing something that is large and complex.

[00:41:57] So those are also items or things we have to take into context when we do develop the audit plan because I do know that if we could, we would love to get to all the highest priority things too first. Sometimes they could be very complex and very timely.

[00:42:12] And doing that poses more of a risk than putting it to the side for now or tabling it and addressing some other risks that are more likely to occur. And so hopefully next month we can have the draft to you. And then in May we can have the order in which we have prioritized risk to you.

[00:42:33] And so in June, if there's any small changes, we can do that and then also approve it in June. Thank you. So one other thing, I think you mentioned objectives in the spreadsheet for the universe. Like, I mean, going through these two, these two, the one that you're going through, I think it's good to have an objective.

[00:42:53] I think it also, you know, brainstorming here, but also having some goals of what that audit you're looking to do also. I mean, I think that would be really helpful. Like, what are we trying to accomplish here? So, like, a great example was this, you know, are we going to look at the processes that might be HR-related, or are we just going to focus on, you know, one of the goals might be, if we can, identify besides the objectives.

[00:43:16] I think that will help us make sure that we are meeting those goals of the objective as well and not just, you know, objective at the high level. So that's one thing that I like to see. And I think one more thing to share with Ms. Ogadebe, which I talked with Mr. Woods.

[00:43:33] So I think this, from now until June 26th, I think we'll probably meet monthly. But after going forward, I think we might be a little bit more, given that they started auditing it, we may not have to meet every month. We can skip it and then plan accordingly, I would say, because I think September you'll bring back the report of the first two audits, and then I'm sure you'll be heads down working through it, so you may not have anything to come back until November 27, perhaps, and then kind of go forward.

[00:43:59] Yes, and the standards recognize this because they said a minimum we should meet four times a year, and never more than a four-month gap. And so they do understand that audits do take time, and so meeting bi-weekly, meeting monthly may not be necessary, But to meet every so often, every few months, is suffice to address the audits and the direction of the audits we're doing.

[00:44:27] So is it fair to say that the committee members, I mean, we can, or any of the board members can also send you their list just to add it to it? Or what would be the best point of time for the board members to share their list?

[00:44:42] They can share the list anytime, and I can incorporate them. I can email individuals and solicit those responses. I think that's a good plan. So I can just start on that this week. And I guess if you do talk to any of them, just make them aware that they can expect to hear from us.

[00:45:04] And what we're really looking for are things that they've identified as risks and that they think that should be entered into the audit universe. And so I do want to add, though, that during the risk-prioritizing portion, I will sit down with the superintendent to also get their feedback.

[00:45:25] So it's a holistic approach where all stakeholders are included. However, the audit committee will have a primacy. Any other questions? I think thank you, Mr. Woods.

[00:45:43] And welcome, Ms. Cooper. I think we're excited to look forward to it. I think. Any new business? No? If there's no new business, we can adjourn this meeting, and we look forward to seeing you on April 24th. Well, thank you.



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