

Scope Document for Engagement Requested by Jefferson County Public Schools

General Scope:

An examination of certain financial activity, policies, and procedures of the Jefferson County Public Schools (District), as well as specific issues involving the District's operations and financial activities. The purpose of this review is to perform examination procedures that address specific objectives and questions, not to provide an opinion on financial statements, or duplicate work of the routine annual financial statement audits. The report will present any findings and recommendations related to the specific areas of examination addressed below, as well as other pertinent information gathered.

Specific Scope:

- Determine whether policies governing contract procurement are adequate, consistently followed, and provide for a transparent process.
- Determine whether internal audit process exists and whether policies governing the internal audit process are adequate, consistently followed, and provide for timely reporting.
- Review District Board policies and evaluate policies using Auditor of Public Accounts (APA) recommendations applicable to boards of education and school districts.
- Analyze certain categories of financial activity for compliance with District policies and for various transaction activities, as well as, determine whether transactions appear reasonable, excessive, necessary, and have a related business purpose.
- Inquire whether conflicts of interest exist.
- Determine how the District compares to other state school districts or peer districts throughout the country involving use of funds for central office administration and classroom instruction.
- Report financial or innovative practices implemented to control or reduce non-instructional costs as reported by various Kentucky school districts.

Cost of engagement not to exceed \$125,000.