

JCPS Board of Education
Finance Advisory Committee
Audit and Risk Subcommittee

The Audit and Risk Subcommittee met on Thursday July 13, 2017 from 430pm to 6pm.

In attendance for all or part of the meeting were:

Stephanie Horne

James Rose

Rhonda Mitchell

Alan Young

Daro Mott (via phone)

Chris Harman

Dr. Marty Pollio

- The Subcommittee began by summarizing the groups role to support JCPS by assisting in the following areas.
 1. Assisting the Board in overseeing the External Auditor work plan and results.
 2. Assisting the Board in overseeing the Internal Auditor work plan and results.
 3. Helping the district develop an Enterprise Risk Management program and culture that drive proactive execution of the district's strategic and financial objectives.
- The group then discussed steps for developing the ERM program.
 1. A background paper from The Boston Consulting Group was handed out "The Art of Risk Management".
 2. A strawman risk framework document was handed out as an example of a framework to edit for the purposes of JCPS.
- The group discussed the work necessary to adjust the framework to meet JCPS needs. In addition the group discussed the alignment of the risk program with JCPS strategy, specifically Vision 2020. The group noted the need to have a cabinet level leader with broad understanding across JCPS as the designated ERM leader. Dr. Pollio shared his focused initiatives for the next 12 months and their alignment with the overall Vision 2020 strategy.
- Next steps and action items:
 1. Everyone should review the BCG Document.
 2. Consider the top level categories we want to have for JCPS ERM program. Refer to the graphic on page 9 of the BCG Document as well as the risk framework that was handed out. We can use either one or develop our own.
 - BCG used Peripheral (Geopolitical, Catastrophic), Market-Specific (Market, Strategic), Company Specific (Operational, Financial).
 - The framework handout used Strategic, Operational, Financial, Compliance with each broken down into planning risks and execution risks.
 3. Start consider the subcategories that are specific to JCPS.
 - Each person be ready to contribute their thoughts at the next meeting and send in advance to James.
 - Rhonda will reach out to key Cabinet members to collect feedback.

- James will set up time with Dr. Pollio to further refine risks around his top initiatives.
4. Meetings going forward will be one or two hours (depending on agenda items) prior to the Finance Advisory Committee in order to simplify logistics for everyone. Next meeting of the Audit and Risk Subcommittee will be August 10th at 3 p.m. prior to the 430pm Finance Advisory Committee.