

Audit and Risk Management Advisory Committee  
Jefferson County Public Schools  
August 25, 2021  
Stewart Auditorium

**ARMAC Members Present:** Chairperson James Rose, Co-Chairperson Rhonda Mitchell, Dr. Sarah Moyer, and Pedro Bryant

**Public Present:** None

**JCPS Staff Present:** Dr. Pollio, Amy Dennes, Kevin Brown, Kermit Belcher, Cordelia Hardin, Ken Willen, Jonathan Lowe, Jodell Renn and Shari Mattingly

**Board Members Present:** none

**Public Present:** none

Mr. Rose called the meeting of the Audit and Risk Management Advisory Committee (ARMAC) to order at 2:05 pm. A quorum was present.

**Approval of Minutes**

Mr. Rose made a motion to accept the minutes of the June 23, 2021 meeting, which was made by Dr. Moyer and seconded by Mr. Bryant. The minutes were approved by a unanimous voice vote.

**Introductory Comments**

Mr. Rose asked if there was any follow up from KDE on the facility planning comments noted during the previous meeting, regarding some regulations and exceptions currently in place. Ms. Biasioli will be contacted for that feedback.

**Future State – Technology – Kermit Belcher, Chief Information Officer**

Dr. Belcher shared a draft of the Future State presentation on Digital Transformation. Dr. Pollio's charged this team to create a national model to address digital inequity that hinders student engagement, innovation and authentic learning experiences. The team assembled have drafted a plan to address four components of the digital divide and includes everyone: 1 instructional device, internet access, align digital content and digital privacy, safety and security. Research performed by the committee noted that any breakdown with one of these three disrupts the student's ability to learn.

While the District has made a significant change over the past two years, currently, there is not a shared responsibility model in place. Therefore, school leaders, along with the SBDM committees must prioritize their funding and it may not include technology based on the needs of the school in a particular year. Although funding has not been fully addressed, the plan proposed will provide a level playing field for all schools in the District with regard to technology. Resulting in leveraging the volume needed to obtain the best prices, standardize devices to provide technical support, implementing a 4-year replacement lifecycle to ensure technology is up to date and purchasing internet enabled devices, the cost of which would be paid by the District.

Software is another area that is being looked at, and the district is trying to vet all software to ensure it meets educational and security needs, as there are currently multiple vendors. Teaching and Learning has a list of 25 recommended software programs, however, to foster academic freedom, schools can choose and purchase their software on their own, as long as it meets the Districts security standards. Balancing the safety and security with teaching objectives can be a complex process.

IT works closely with Internal Audit. Ms. Renn has contracted with third party entities that provide independent assurance activities focused on IT. Additionally, she is working with the IT team to research an evidence-based system of documentation to better understand and improve cybersecurity risk management.

The ARMAC committee had questions concerning the cost versus benefit of providing internet enabled devices versus hot spots. Dr. Belcher explained that the internet cost for the internet service is the same and that the downside they learned about the hotspot is that if multiple children are in a home, they would only be able to access the internet where the hotspot is located and, in this way, the student has flexibility when and where they can do their school work assignments. They further inquired how schools will feel about having the IT funds diverted from their control. Dr. Belcher shared that the funding decision has not been finalized, however, a communication plan will be developed and communicated to the schools.

#### **FY 2021 Internal Audit Update and FY 2022 Annual Audit Plan – Jodell Renn, Director, Internal Audit**

Ms. Renn presented the FY 2021 IA update along with the FY 2022 proposed annual audit plan. Ms. Renn provided an update on the status of the current work plan and shared that the timing of the plan is changing to more closely align to the fiscal year. Therefore, several projects will be carried over to the new plan and in some cases, projects have been removed due to other priorities or use of other independent sources to assist the area previously included. The previous plan was for the timeline of November 1<sup>st</sup> through October 31<sup>st</sup>. The timeline for the new plan is October 1<sup>st</sup> through September 30<sup>th</sup>. To create the proposed audit plan, Ms. Renn met with Board members, Cabinet leaders and other key personnel, external audit resources, Auditors from the Council of Great City Schools, reviewed professional literature on top risks for 2021, and performed a risk assessment of the audit universe.

The ARMAC committee acknowledged the work done to enhance the reputation of Internal Audit Function at JCPS. Further, they recommended that the proposed plan be presented to the JCBOE without any changes.

#### **Update on Return to School – Amy Dennes, Chief of Staff**

Last year, guiding principles were developed and are the basis for many decisions that have been made this year. Regarding COVID, JCPS follows CDC guidelines to the extent practicable, along with finding and sharing models of good behaviors. If a student tests positive, classrooms are not closed while an investigation is conducted. Students who were within three feet of an ill student and are unvaccinated or adults who were within six feet of a positive adult or child and are unvaccinated are quarantined. Contact tracing extends to the school bus, lunchroom, and anywhere else the student was during the day to identify students that may need to be quarantined. Keeping students in pods is a way schools are working to limit contact. Each school has a Healthy at School officer who works with a nurse to conduct contact tracing. If a student is identified as being positive for the virus, a notification is sent to every family and employee in the building. However, due to HIPAA regulations, the positive student is not identified. CDC guidance lays out how quarantining is handled.

Testing and vaccines are being offered to students, their families, and staff, and is conducted by outside agencies. Drive thru testing is also available, and JCPS is looking into expanding to the

weekend. Symptomatic students whose parents don't want them tested are sent home; families cannot be forced to test their children. This is a lot of new work that the district has had to take on, and there is a COVID-19 dashboard on the JCPS website that tracks and reports each schools' status. Changes to the dashboard are being implemented to provide current and historical totals.

Dr. Moyer commended the work JCPS is doing to support mitigating measures in place, including increased testing and vaccine sites throughout the District. ARMAC requested to see a trendline of the cases since the beginning of the year which was sent the following day by Ms. Renn.

#### **Update on Stimulus Spending – Cordelia Hardin, Chief Financial Officer**

Working with Dr. Dena Dossett's group, Finance enhanced the Investment Tracking tool (a.k.a. Investment Tracking 2.0) to allow for close monitoring of the spending requests. A formula was used to calculate the amount of funding put into a contingency budget code for each school to use over the next two years. The amount to approximately \$80 million. The purpose of the additional funds is to address learning loss and social distancing expenditures and should not be used to fund programs that would extend past the 09/30/2023. Central Office was not provided funding but can request funds that meet the requirements through the investment tracking process. The school creates a budget request that details how the funds will be used and the expected results. It is reviewed by the Assistant Superintendent before being sent to Ms. Hardin, who notifies the principal if approved. Currently, a majority of the requests consist of extended learning time and the associated staffing needs. For example, extended learning time that occurs either before and/or after school or staffing to help with mitigation and contact tracing efforts. All school requisitions go through an additional review to ensure that what has been ordered agrees to what was approved.

Mr. Rose inquired about how the money has been received and how is it being allocated, to date, it is estimated that JCPS has received approximately \$40M. Ms. Hardin responded that no funds are received up front, as this grant is funded via a reimbursement request. Of the \$40M, approximately \$28M was for Chromebooks. Academic Services received funding for the virtual learning for elementary school students that was approved at a recent JCBOE meeting. Documentation is being maintained in the electronic system to help ensure that the district is prepared for any future audit that may be conducted.

#### **New Business**

Mr. Rose asked that committee members identify and propose potential candidates to fill the seat vacated by Dr. Keith Davis. He would like to discuss during the next meeting. The next meeting is scheduled for November 3, 2021 and will include a report from the external auditors, Dean Dorton LLP.

#### **Adjournment**

Mr. Bryant made a motion to adjourn the meeting; Ms. Mitchell seconded the motion. The meeting adjourned at 3:55 pm.