

School District No. 1J, Multnomah County, Oregon  
**Board Committee Meeting of August 12, 2019**

A meeting of the board's Audit Committee meeting came to order at 4:00 pm at the call of Committee Chair Brim-Edwards in the Willamette Conference Room at the Blanchard Education Service Center, 501 N Dixon Street, Portland, Oregon, 97227.

There were present:

Committee Members

Julia Brim-Edwards - Committee Chair  
Amy Kohnstamm - via Phone  
Kari Guy - Community Member  
Kate Wilkinson - Community Member

Staff and other Attendees

Rosanne Powell - Board Manager  
Kara Lazcano-Huff - Confidential Executive Assistant  
Claire Hertz - Deputy Superintendent of Business and Operations  
Mary Catherine Moore - Internal Auditor

2018-19 Committee Work Plan

The committee went over a list of agenda items to identify committee responsibilities verses staff responsibilities. The committee decided on a quarterly meeting schedule for the coming year, with meeting in October 2020, December 2020, March 2021 and June 2021, and identified at which meetings they would discuss the agenda items.

Committee Chair Brim-Edwards shared that the audit timeline presented by the auditor was aggressive and would need to be competed in phases, the first phase will include a review of Contracts and Procurement Cards. Claire Hertz shared that items in Phase 2 that were related to instructional areas would need further consideration. The Secretary of State's audit team did not have the expertise to do a full audit on instruction. Director Brim-Edwards requested that instructional leadership attend meetings when there are related agenda topics in order to help inform the conversation.

Discussion of Internal Audit Phase One

Internal Auditor Mary Catherine Moore shared with the group the timeline for the contracting audit and which areas would be looked at. She identified the elements of each contract to be looked at in each phase of the contracting process: set up, payment, and performance / measurement/ review. The elements for each area were identified in part by reviewing the Secretary of State's Audit and by reviewing some current contracts. The Secretary of State's office reviewed the elements of the contracting audit and approved the content.

The group discussed whether Mary Catherine Moore should meet individually with board members to discuss the process and timeline of her audit or if the board should have a work

session to discuss it. It was decided that the board should have a work session in September.

#### Draft of the Audit Committee and Performance Auditor Charter

Committee Chair Brim-Edwards explained that Liz Large made sure that the charter aligned with the audit policy. In it there are basic audit practices that are duplicative, but that are provided as a reference to how our audit should be performed.

It was noted that there will be an external audit of the audit, but it is additionally required that a peer review of our auditing function happens every three years. It is standard practice that a peer group would come in and look at all the auditing documentation to make sure that the audit is following legal practices. For school districts the peer audit is done by the Association of Local Government Auditors. When an auditing function is just starting the first peer audit can be waived in first three years.

The committee decided to take the Audit Charter to the Board August 27, 2019.

#### Update from Claire Hertz

Megan Salvador is a new Project Manager for Business and Operations, she will be working on a quarterly basis to touch base with each individual who is working on a portion of the Secretary of State's Audit. It is anticipated that an update will be available from that work for the October meeting.

No Public Comment

Chair Brim-Edwards adjourned the committee at 5:29 pm.

Submitted by:



Kara Lazcano-Huff  
Confidential Executive Assistant to the School Board