

**MINUTES OF THE SCHOOL BOARD AUDIT AND BUDGET ADVISORY COMMITTEE
OF MIAMI-DADE COUNTY PUBLIC SCHOOLS
September 15, 2020 (VIRTUAL MEETING)**

The School Board Audit and Budget Advisory Committee (ABAC or Committee) met on Tuesday, September 15, 2020, via the virtual ZOOM webinar platform. This meeting happened during the COVID-19 pandemic.

It is important to note that the part of the meeting related to introductions, attendance and vote-taking differed from the traditional meeting procedures because of the limitations of conducting such procedures under a virtual platform setting. The minutes reflect how these procedures were conducted.

ABAC Chair Mr. Erick Wendelken was unable to attend due to a pressing work-related deadline and the ABAC's Vice-Chair Mr. Christopher Norwood acted as Chair of the ABAC for this meeting.

Call to Order

The Acting ABAC Chair, Mr. Christopher Norwood called the meeting to order at **12:33 p.m.** since the Committee had reached a quorum.

1. Welcome, Introductions and Recognitions

Acting ABAC Chair Mr. Christopher Norwood began the meeting by welcoming everyone and stating that he will be the Acting Chair for this meeting. He said that he hoped everyone as well as their families were doing well and staying safe and healthy, and closed his initial remarks by sending good wishes to those undergoing hardships during this current pandemic.

Next, Mr. Norwood brought to the Committee's attention that today, there are three ABAC members who are nearing the end of their term of service (because the Board members being represented by these ABAC members are also nearing the end of their term). They are ABAC members Mr. Isaac Salver, Mr. Rudy Rodriguez, and Mr. Jeffrey Codallo. He then turned the presentation over to Chief Auditor Ms. Maria T. Gonzalez to proceed with the recognition of these distinguished ABAC members.

Chief Auditor Ms. Maria T. Gonzalez introduced herself and said that it gave her great pleasure but at the same time a feeling of sadness for this farewell recognition of three outstanding ABAC members whose term of service with this Committee is about to sunset. First, Ms. Gonzalez recognized ABAC member Mr. Isaac Salver, CPA, who has represented Board member Dr. Martin Karp, District 3 in this Committee since the 2010-2011 fiscal year; then ABAC member Mr. Rudy Rodriguez, CPA, who has represented Board member Ms. Susie Castillo, District 5 since the 2015-2016 fiscal year; and last but not least, ABAC member Mr. Jeffrey Codallo, Air Force Retired, who has represented Board Member/Alternate ABAC member Dr. Larry Feldman, District 9, for several years in many committees including the ABAC.

The Chief Auditor displayed for the participating members, attendees, and the viewing public the beautiful glass plaque award dedicated to each of the three ABAC members mentioned. She read the glass plaque's inscription, and said that it was regrettable that these awards could not be presented in person due to the pandemic, but would be delivered to the members' residences as a token of our sincerest appreciation and gratitude for their service to this Committee. She closed by requesting a round of applause to recognize these members. The ABAC members were pleased to comply with this request.

At the Acting ABAC Chair's request, each of the three ABAC members expressed their sentiments. ABAC member Mr. Isaac Salver thanked the Committee, he said the plaque was unexpected, and as the longest service member that is leaving, he felt incredibly grateful for having had an opportunity to work with some awesome staff and the Chief Auditor. He acknowledged that the ABAC meetings were lively and productive; and recognized that as an elected official, being part of the ABAC has helped him grow as an elected leader and individual; and it has been an honor to work with ABAC colleagues who are such high quality people. He closed by expressing heartfelt thanks.

ABAC member Mr. Rudy Rodriguez said that it has been a pleasure working with this group and that his service for the school system goes back to former Superintendent of Schools Mr. Joe Fernandez, many years ago when Mr. Rodriguez was part of the District staff. He added that this is an outstanding group of professionals and it had been a pleasure to serve with the ABAC, the Chief Auditor and the Internal Audit Department, the Superintendent and CFO, the Board Attorney and everyone else in the District. He truly appreciated the efforts always put forth by this Committee and Administration, more so during these trying times with the virus and thanked everyone for the award received.

ABAC member Mr. Jeffrey Codallo addressed the Committee, Dr. Larry Feldman, Superintendent Mr. Alberto Carvalho, all members of the School Board, including those colleagues who serve in the various committees he has served. He said it was his privilege and honor to serve in this Committee as well as other committees or just being part of the citizenry. He looked forward to doing whatever he can do on a continuum to continue working with the School Board and thanked everyone for this opportunity and support and for this recognition.

School Board member/ABAC member Ms. Mari Tere Rojas recognized those who are retiring from the ABAC team who she said was a phenomenal team. Also, she said that on behalf of Board Chair Mrs. Perla Tabares Hantman and Board Vice Chair Dr. Steve Gallon III, she recognized and thanked the three Board members who are leaving the Board this year: Ms. Susie Castillo, Dr. Martin Karp, and Dr. Larry Feldman. She added that all three Board members have actively participated in the ABAC meetings throughout the years and wanted to recognize their efforts in this public forum as well.

Board member/Alternate ABAC member Dr. Larry Feldman was in attendance and thanked the Committee and Board member/ABAC member Ms. Mari Tere Rojas for the recognitions made in this Committee today. Dr. Feldman evoked that for him this was a great run spanning 12 years and wanted to thank ABAC member Mr. Jeffrey Codallo who has been his representative in various committees such as: Special Needs Kids, ABC and the ABAC; and who never said "no" when Dr. Feldman asked for his participation in the various committees in representation of District 9. Dr. Feldman took the opportunity to also thank Board Chair Mrs. Perla Tabares Hantman for all the guidance that she provided throughout the years and also thanked the Superintendent for all the years of service and support.

Next, the Chief Auditor welcomed all those joining the virtual meeting. She recognized this is the third time that the Audit and Budget Advisory Committee holds a virtual meeting (scheduled for today, September 15, 2020). She then proceeded to read the following introductory statement which declared the authority vested in local governments operating under the Sunshine Law to hold public meetings using technology such as video conferencing during an emergency setting (such as the COVID-19 pandemic):

This Regular Meeting conducted by members of the Audit and Budget Advisory Committee and facilitated by the Chief Auditor from the Office of Management and Compliance Audits, is pursuant to the procedures delineated in Board Policy 6840 -

Audit and Budget Advisory Committee, and is being held in accordance with Governor DeSantis’ Executive Order 20-69 Emergency Management – COVID-19 – Local Government Public Meetings, suspending certain statutory public meeting requirements that require a quorum to be present in person, or requires a local government body to meet at a specific public place.

Additionally, local government bodies may utilize communications media technology, such as telephonic and video conferencing, as provided in section 120.54(5)(b)2, Florida Statutes. This Executive Order does not waive any other requirement under the Florida Constitution and “Florida’s Government in the Sunshine Laws” including Chapter 286, Florida Statutes.

Last, on August 7, 2020, Executive Order 20-193 was signed by Governor DeSantis extending Executive Order 20-69 until 12:01 a.m. on October 1, 2020.

2. Attendance of ABAC Members

The Chief Auditor requested that each ABAC member respond “present” after each ABAC member’s name is called out to record the member’s attendance and ensure that a quorum was achieved for this virtual meeting. Following this procedure, the following ABAC members were present and a quorum for this meeting was achieved:

ABAC Members Present	
1.	Mr. Christopher Norwood, J.D., ABAC Vice-Chair and Acting Chair for this meeting
2.	Mr. Jeffrey Codallo, ABAC Member
3.	Mr. Juan del Busto, ABAC Member
4.	Mr. Stephen Hunter Johnson, Esq., ABAC Member
5.	Mr. Jeffrey Kaufman, ABAC Member
6.	Mr. Albert D. Lopez, CPA, ABAC Member
7.	Mr. Julio C. Miranda, CPA, CFE, ABAC Member
8.	Mr. Rudy Rodriguez, CPA, ABAC Member
9.	Ms. Mari Tere Rojas, School Board Member/ABAC Member
10.	Mr. Isaac Salver, CPA, ABAC Member
11.	Ms. Sharon Watson, ABAC Member
ABAC Member Absent	
	Mr. Erick Wendelken, ABAC Chair

In addition to the ABAC members and following similar attendance-taking procedures, the Chief Auditor recognized the following meeting panelists that were in attendance:

- 12. Mr. Ron Y. Steiger, Chief Financial Officer, Ex Officio (Non-Voting) Member of the ABAC
 - 13. Ms. Maria T. Gonzalez, Chief Auditor and the ABAC’s liaison
 - 14. Mr. Walter J. Harvey, School Board Attorney
 - 15. Mr. Alberto M. Carvalho, Superintendent of Schools
 - 16. Mr. Jaime G. Torrens, Chief of Staff
 - 17. Mr. Jon Goodman, Assistant Chief Auditor, Office of Management and Compliance Audits
 - 18. Mr. Luis O. Baluja, Executive Director, Office of Management and Compliance Audits; and
 - 19. Ms. Elsie Berrios-Montijo, Staff Assistant, Office of Management and Compliance Audits.
- Mr. Baluja and Ms. Berrios-Montijo acted as meeting co-hosts/facilitators, in addition to the Chief Auditor.

3. Attendance of District Administration and Other Representatives

As a tradition of the ABAC meetings conducted during pre-COVID conditions, the meeting room would be circulated to have those in attendance each verbally introduce his/her name into the record of attendance; and an attendance log would be passed around to collect the signatures of those attending the meeting. In lieu of this attendance-taking/recording procedure, the virtual meeting platform provides a list of the names of those attendees that have joined the meeting via email invitation, and Ms. Gonzalez proceeded to read each entry from the list, which ultimately amounted to an additional 38 participants that had joined the meeting; and which consisted of first/last names. Titles were also included for the record. This attendance is reflected in the following table:

Names of Attendees to Virtual Meeting	
1. Mrs. Perla Tabares Hantman, School Board Chair	2. Dr. Steve Gallon III, School Board Vice-Chair
3. Dr. Lawrence S. Feldman, School Board Member/Alternate ABAC Member	4. Dr. Lubby Navarro, School Board Member
5. Ms. Susie Castillo, School Board Member	6. Dr. Nancy Lawther, Alternate ABAC member (PTA/PTSA)
7. Mrs. Valtena G. Brown, Dep. Supt./Chief Operating Officer	8. Mr. Jose L. Dotres, Chief Human Capital Officer
9. Ms. Tabitha G. Fazzino, Chief Admin. and Comp. Officer	10. Ms. Marie Izquierdo, Chief Academic Officer
11. Ms. Iraida R. Mendez-Cartaya, Associate Superintendent	12. Dr. Magaly C. Abrahante, Assistant Superintendent
13. Ms. Daisy Gonzalez-Diego, Chief Communications Officer	14. Mr. Eugene P. Baker, Chief Information Officer, ITS
15. Mr. Mario De Barros, Chief Procurement Officer	16. Mr. Joseph Gomez, Interim Chief Procurement Officer
17. Ms. Lisette Alves, Assistant Superintendent, Academics	18. Ms. Charisma H. Montfort, District Director, Procurement Mgt.
19. Ms. Daisy Naya, Controller	20. Ms. Tiffanie Pauline, Asst. Superintendent, Charter Schools
21. Ms. Mindy McNichols, Assistant School Board Attorney	22. Mr. Steffond Cone, Assistant Superintendent, School Ops.
23. Dr. Verena Cabrera, Admin. Director, Attendance Services	24. Dr. Lupe Diaz, Executive Director, Voc. Curriculum
25. Dr. Gloria Arazoza, Admin. Director, School Operations	26. Mr. Michael Fox, Risk and Benefits Officer
27. Ms. Tamara Wain, CPA, District Director, OMCA	28. Mr. Eddie McAuliff, Executive Director, ITS
29. Ms. Ava Goldman, Admin. Director, Exceptional St. Ed.	30. Ms. Arlene Diaz, Executive Director, Certification
31. Ms. Patricia Tumelty, Senior Auditor, OMCA	32. Mr. Brett Friedman, Partner, RSM US LLP
33. Mr. Anil Harris, Senior Audit Manager, RSM US LLP	34. Ms. Mary Cagle, Office of Inspector General
35. Mr. Felix Jimenez, Office of Inspector General	36. Ms. Shelby Williams, Office of Inspector General
37. Mr. Tom Knigge, Supervisory Special Agent, OIG	38. Mr. Tony Brunson, ABC Solutions (RSM US LLP)

Ms. Gonzalez remarked that other individuals may be watching the meeting since it is being broadcast live; however, the names of those individuals are not known or captured on any list, and could not be entered into this record of participation/attendance.

4. Instructions for Deliberations During Virtual Meeting

Before proceeding, at the request of the Acting ABAC Chair, the Chief Auditor read the following protocols for ABAC members and participants to follow. This was to ensure that the virtual meeting was conducted smoothly and following/observing proper decorum:

- *Kindly direct all statements and comments “through the Chair” and wait to be recognized by the Chair before making comments.*
- *All ABAC members will be unmuted during the meeting. The Chair requests that ABAC members mute their microphones when not making comments to reduce unnecessary background noise during the meeting.*

- *An attendee wishing to speak to an item should “raise his/her hand” using the appropriate feature in the ZOOM tool bar. If the attendee is participating via telephone, he/she can “raise his/her hand” by pressing *9 (star and the number 9).*
- *There may be several attendees wishing to make comments simultaneously. Co-hosts are managing the queue of individuals waiting to make comments. The attendee wishing to make a statement will be brought into the meeting as soon as possible and then returned to his/her previous status at the conclusion of his/her comments.*
- *Regardless of whether an ABAC member is making a motion, answering a question, or making a comment, please wait to be recognized by the Chair. Once the ABAC member is given the floor, please identify yourself by stating your first and last name prior to speaking. When you have finished making your statement, please conclude by saying “This concludes my comments.”*
- *When making or seconding a motion, please, clearly state your name so that it can be stated/captured/documented for the record.*

Lastly, all were reminded that this meeting is being video recorded and broadcast live, closed captioned, to the public.

5. Approval of the Minutes of the School Board Audit and Budget Advisory Committee Meeting of July 21, 2020 (ACTION)

The Acting ABAC Chair introduced the minutes of the July 21, 2020, ABAC meeting.

School Board member/ABAC member Ms. Mari Tere Rojas commended the individual who put these minutes together. She thought they were exceptional. She just wanted to thank that individual and give kudos for a job well done.

A motion was made by ABAC member Mr. Isaac Salver and seconded by School Board member/ABAC member Ms. Mari Tere Rojas for the approval of the minutes of the July 21, 2020, ABAC meeting. At the request of the Acting Chair, all ABAC members in favor of the motion were requested to state their vote. Based on the “ayes” from all the ABAC members, there was unanimous agreement, and the motion carried to approve the minutes of the ABAC meeting of July 21, 2020.

6. Miami-Dade County Public Schools – Annual (un-audited) Financial Report Fiscal Year End June 30, 2020 (INFORMATIONAL)

The Chief Auditor introduced the subject report by stating that this is the Annual Financial Report, (the AFR) of the School Board of Miami-Dade County for June 30, 2020, and noted that this was an informational item for the ABAC. This report had been approved by the Board members at their recent Board meeting in September. She pointed out that Chief Financial Officer Mr. Ron Steiger and Controller Ms. Daisy Naya would be participating in the meeting to present the report and address any related questions.

According to Chief Financial Officer (CFO) Mr. Ron Steiger, this is the un-audited Annual Financial Report presented to the Committee every year. Mr. Steiger said that he was exceptionally proud of this particular document; and also said this was a year-end like no other. He noted that the

District faced new challenges in closing this year. To complete this document, he remarked that district staff came to work when needed, working through weekends and Sundays; and this working pace was exceptionally hard considering everything that is going on around us.

CFO Mr. Steiger stated that he was pleased with the financial position of the District and that it ended well this year. According to him, it showed that each individual Fund ended strongly. He did point out that the government-wide net position for all governmental activities, the District's net position will be negative. Mr. Steiger explained that prior to 2015, the District's net position was well over \$1 billion positive. Then, since the GASB came out that required the District to recognize all future FRS liabilities up front, this year the State had \$4 billion statewide unfunded liabilities, the District's portion was about \$175 million and that pushed the District into a negative net position of \$149.1 million. According to him, this is nothing to be concerned about, and the external auditors of the District agreed with him on this. He noted that Miami-Dade County (the County) finished 2019 with a negative \$1.3 billion negative net position. He noted that the pension liabilities have caused a similar effect on a lot of municipalities. Last, he noted that the biggest liability heading into this budget year was the FRS increase because to reduce that unfunded liability, the state had all municipalities increase their contribution in an attempt to get rid of that unfunded liability; and added that hopefully it's not an issue moving forward.

At this point, CFO Mr. Steiger turned the floor over to Controller Ms. Daisy Naya so that she could take questions and commended Ms. Naya and her staff for the incredible work effort invested in this report. Ms. Naya thanked Mr. Steiger and stated that this report was presented to the Board on September 9th and submitted to the Florida Department of Education on September 11th in accordance with the statutory timelines. Then she added that she would be pleased to answer any questions from the Committee.

ABAC member Mr. Albert Lopez inquired as to how this liability gets paid off. He proffered that since it's unfunded and it's creating a deficit, which basically says that there aren't enough assets to cover the liability; and added that he would like to understand how it gets off the books, where does the money comes from.

CFO Mr. Steiger replied that the largest driver of this is the FRS pension liability and noted that FRS is not something the District controls. He explained that the quickest way to get that off the books is exactly what the State required from the District to do in this case, which was to substantially increase the District's investment into FRS. Usually in any given year, the District contributes district-wide \$4 million to \$5 million extra into FRS, but this year's contribution was over \$29 million in one year. From the budget's perspective, the District as well as other municipalities asked the State to "spread out this pain", but the State and the Governor were unrelenting because they needed the funds to "cure" the liability.

Furthermore, CFO Mr. Steiger stated that if the \$29 million is spread out over the future years of this liability, he would hope that that portion of it goes away relatively quickly. Secondly, there is CARES Act funding. He noted that the District's revenue went down this year because of the COVID-19 related shut-down of District operations for a quarter of the year; thus, resulting in less revenue for Before/After Care or Food and Nutrition. However, with the influx of CARES Act funds coming this year and hopefully a second stimulus as well, he expects that the District will be in a much better asset position next year.

ABAC member Mr. Albert Lopez inquired if the State leaves it up to the District as far as the payments that must be made. He inquired as to how this would reflect into the budget from a cash flow point of view, and what would give if it's not part of the budgetary process.

CFO Mr. Ron Steiger responded that the District had no flexibility and no say in the matter. He said that if anyone recalls the presentation of the budget back in July of this year, the FRS increase was the biggest expenditure increase discussed during that presentation. He said that the State's revenues have taken a beating and the District has about \$12 million in a Fund for the District's protection. According to him, every cent received over the next year, will be put towards that liability. He noted that the District's Fund Balance to end 2019-2020 was the highest Fund Balance outside of 2009, and that each individual Fund is in as strong of a position as it can be in. His concern at this point is that even in the District, as strong of a position as it's ever been, he doesn't know if it's going to be enough to withstand the tide that's coming. He cautioned that the District must be as fiscally prudent as possible, while at the same time opening schools during a pandemic, which will require additional spending to achieve a smart and safe reopening.

ABAC Mr. Albert Lopez then stated that the District must be agile and perhaps some programs may suffer if the need comes. CFO Mr. Steiger replied that the District's goal is to protect the workforce and the academic programs, and this Administration is working with the State and the Federal Government as best they can. He noted that the Superintendent and the Board are in alignment with what the priorities of this District are, which is to protect the workforce and classroom. He concluded that yes, the District must be agile, but always centered around the protection of the District's guiding principles, which he said is what comes first.

ABAC Mr. Lopez thanked CFO Mr. Steiger for the responses provided. There not being any additional questions, the ABAC Acting Chair noted that this report was presented for information/discussion purposes only; therefore, no transmittal to the School Board by the ABAC is required.

7. Miami-Dade County District School Board Florida Education Finance Program Full-Time Equivalent Student Enrollment and Student Transportation for the FYE June 30, 2019 – Report No. 2021-003 (ACTION)

The Chief Auditor introduced the subject report and noted that during this past fiscal year 2019-2020, the State of Florida Auditor General (AG) performed three separate audits of the District. The *Basic Financial Statement/Single Audit* and the *Operational Audit* were two audit reports already presented to this Committee; and the subject report is the last of the three AG audits. This is commonly referred to as the *FEFP/FTE Audit* which is performed by the AG every two years. For this audit, the AG draws a sample of district schools to include both traditional and charter schools. At those schools, the auditors select certain student samples to perform the review of documentation in the students' cumulative folders for those students who may receive additional funding for ESE services, ESOL services, or who are enrolled in On-The-Job-Training programs. Again, based on samples, the auditors also review teacher certification requirements, as well as student transportation requirements and documentation.

Regarding the results of the audit, the Chief Auditor stated that in their Attestation Examination, the Auditor General (AG) reported that, except for the non-compliance disclosed in the report related to teachers and student transportation, the Miami-Dade County District School Board (District) complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment, including teacher

certification, and student transportation as reported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2019.

The Chief Auditor pointed out that whenever there is non-compliance with the documentation supporting ESOL or ESE services related to the sampled student records at the school sites, or with teacher certification requirements for those teachers sampled, there may be a funding disallowance attached to this non-compliance which reduces the funding to basic levels. For this audit, she noted that the overall estimated gross dollar effect of the FEFP/FTE audit adjustments (disallowance) for the 2018-2019 fiscal year is a negative \$370,300, of which \$300,724 is applicable to traditional schools other than charter schools and \$69,576 is applicable to charter schools. She also noted that, these audit results are a marked improvement when compared to the previous audit results in the 2016-2017 fiscal year. During that year, the audit adjustments (disallowance) amounted to a negative \$1,345,814, of which \$744,626 was applicable to traditional schools and \$601,188 was applicable to charter schools. To put the disallowance in perspective, for the 2018-2019 fiscal year, according to this audit report, the District received approximately \$692.6 million in State funding through FEFP (which included charter schools).

Regarding the response to this year's audit results, the Chief Auditor indicated that according to the Administration, there was general agreement with the findings and corrective action has been implemented to satisfy all recommendations in the report. She also noted that based on the response, the charter schools have also agreed with most of the findings and have provided action plans outlining the corrective steps to be implemented at each impacted charter school.

Last, Ms. Gonzalez highlighted specific areas of the report to include the District's response to the audit findings (pages 57-72 of the report), the Independent Auditor's Report on Full-Time Equivalent Student Enrollment (pages 1-3), and the Independent Auditor's Report on Student Transportation (pages 41-43).

At this point, the Chief Auditor stated that after this long introduction, she would be turning this report over to the ABAC members for their discussion, comments, and questions.

First to provide comments on this report was School Board member/ABAC member Ms. Mari Tere Rojas, who was concerned about the findings related to the English Language Learners on page 59 of the report. She explained that she has seen similar items in the past and although is aware that the Administration has been working to address the issues, she inquired as to what steps the Administration has taken to address these very important ELL issues and requested a response.

The Chief Auditor replied that Chief Human Capital Officer Mr. Jose Dotres was raising his hand. However, the Chief Auditor pointed out that regarding ELL, Chief Academic Officer Ms. Marie Izquierdo and/or Assistant Superintendent Ms. Lisette Alves could address the issue. Mr. Dotres clarified that he could address the issue of teacher certification; however, the colleagues identified by Ms. Gonzalez could certainly assist with this part of the response.

Ms. Alves explained that, since the time that audit exceptions were issued in past audits, the District is implementing *Ellevation*, which is an online platform that provides the reports necessary for school site and district offices to monitor the LEP committee meetings, LEP Plans, the ESOL student progress, and all of that is now being monitored effectively. As follow-up, Board member/ABAC member Ms. Rojas further inquired if this program will be able to monitor ESOL students after they have exited the program for the next two years after they have exited. Ms. Alves confirmed that *Ellevation* will monitor students after they've exited the program. Board

member/ABAC member Ms. Mari Tere Rojas was pleased to see that this could be better monitored so that these findings are not repeated going forward.

Board member/ABAC member Ms. Mari Tere Rojas continued with her inquiries by bringing everyone's attention to page 61 of the report, where ESE findings were cited, including findings of the proper notifications of IEP meetings and IEPs lacking signatures. She commented that some of these may be crucial findings which may result in a significant loss of FTE funds and inquired how these issues will be addressed expeditiously.

Dr. Magaly Abrahante, Assistant Superintendent and Mrs. Ava Goldman, Administrative Director, Exceptional Student Education, were promoted to panelists. Mrs. Goldman stated that in reference to the signatures, the District now has access to a special alert that has been added to the ESE/EMS system to remind all the individuals who are at the IEP table to upload all documents and ensure signatures are intact. Relative to the *Matrix of Services* and also to the notification, her office has dealt with the notification with the staffing specialists in training this summer as well as the program specialists, and there is training with the LEAs to also remind them of this important piece. She added that all this information is being included in the *Money Matters* presentations with administrators, and her office is taking care of the issues cited in the reports through auto alerts and professional development. At the request of Ms. Rojas, Mrs. Goldman reiterated that the alerts have been incorporated in the ESE/EMS system, the training and the professional development has been provided to the staff specialists and program specialists, and her office is working with the LEAs and then with the Principals during this year's *Money Matters* presentations. Ms. Rojas was pleased with the response provided but pointed out that employees who are new to some of these positions should also be included in the training.

Board member/ABAC member Ms. Rojas then brought up the issue of teacher certification non-compliance (page 63 of the report), which she stated was of great significance because it has been cited in similar audits in previous years; yet the response for corrective action from the Administration is similar. She noted that the report continues to disclose non-compliance issues related to teacher certification, but specifically to the approval of Out-Of-Field (OOF) assignments; notification to parents regarding OOF teachers; teachers earning college credits toward certification and OOF subject areas; and teachers earning the required in-service training points in ESOL and strategies to be implemented. She pointed out that the audit disclosed that requirements were not met for 74 of 354 teachers from the sample [page 5], which represents approximately 21 percent of the sample. She wanted to know what else is being done by the District to remedy these conditions, including a number of charter school-related issues that are cited on page 64 of the report, and requested an update from Chief Human Capital Officer Mr. Jose Dotres.

Mr. Dotres replied that the District has made improvements and there are three areas that the District has taken a very deliberate look for improvement. The first area has to do with training, and the District has increased the level of training for Principals and Assistant Principals that are fairly new to scheduling teaching assignments to ensure there is alignment with teacher certification and the scheduling of corresponding teaching assignments. Currently, he said, the District has both bench and preparation programs for new and aspiring Principals and Assistant Principals; and certification is now a required element in both the bench and induction programs in order for rising and newly appointed administrators to be aware as to how to schedule teachers in compliance with teacher certification requirements; and if the teacher is not certified, then the appropriate documentation is collected so they can be declared OOF and place them in a track to develop them and get them trained to satisfy the third element of this piece. He noted that the second element is the notification to parents. Typically, this happened twice a year. Now the

District has increased the generation of letters to parents and they have been working with ITS to change the “business rules” for more frequent parental notification and thus prevent potential errors in this area. The third area is the issue of credit hours (whether college credits or master plan points); and he explained that the District is prioritizing, identifying the teachers that are OOF and making sure that the District is communicating directly to them with tutorials and courses so that they can become “in field”. He stated that his office is creating a more automated system and they have shared with the Board some of the summer sessions that particularly focus on additional courses needed for the OOF teachers. To summarize, he said that this involves more intensive training for Principals and Assistant Principals to match the scheduling with certification; increasing frequency of parent notification letters for students taught by OOF teachers; and a more automated system with a priority for OOF teachers so they are first in line to receive training and professional development.

Mr. Dotres further explained that there has been more frequent collaboration with the need of the charter schools. Mr. Dotres feels very encouraged by the piece of the development of the Principal and Assistant Principal and providing greater access to teachers that need the additional coursework in order to become “in field” and not show up on OOF reports.

School Board member/ABAC member Ms. Mari Tere Rojas replied that she is aware of all these efforts from Mr. Dotres and his team and congratulated his office. She then asked what the timeline was for teachers Out-Of-Field to fulfill his/her responsibilities to receive certification and become “in field”, and if unable to complete, then what remedies are in place to help them get to where they need to be.

Mr. Dotres requested assistance from Executive Director Ms. Arlene Diaz to describe the requirements that teachers need to meet. Ms. Diaz explained that the issues regarding the timelines are two-fold: 1) one relates to the teachers that are teaching Out-Of-Field in a subject area other than ESOL. She explained that the District provides them with a three-year timeline, however, the State of Florida does not have a limit to complete the requirements; and 2) for the teachers teaching ESOL or ELL learners, those teachers are put on a very deliberate timeline as established by the META Consent Decree¹ of five years, and it’s deliberate that every teacher teaching ELL student Language Arts has to achieve 300 hours of training; and the timeline is very specific that they have to do one course every year until they’ve completed all five courses.

Board Member/ABAC member Ms. Mari Tere Rojas then inquired as to how many teachers are Out-Of-Field at this time in ELL and the other areas. Ms. Diaz informed Ms. Rojas that she does not have that number right now because they look during the FTE reporting period at the beginning of October, but a preliminary report can be run for her. In response to Ms. Rojas’ request, Chief Human Capital Mr. Jose Dotres replied that this will be done in the same fashion as a report with similar information that his office previously provided to her office. Ms. Rojas thanked Mr. Dotres for having developed that report and she looks forward to receiving a similar report once re-generated by Mr. Dotres’ office.

Ms. Rojas’ last comment related to the District’s current dealings with the pandemic and emerging issues due to teachers leaving, retiring, substitute teachers, etc.; thus, emphasized the

¹ META which stands for *Multicultural Education, Training and Advocacy, Inc.* is a California-based organization concerned with, among other issues, equal access to educational opportunities in all public schools for children classified as limited English Proficient (LEP). The Florida’s *META Consent Decree* was put into place following a lawsuit filed against the State of Florida in 1990. The *META Consent Decree* outlined the measures the State of Florida will take to ensure English Language Learners (ELL) students will be provided access to a Free and Appropriate Public Education (FAPE).

importance of identifying those teachers that are Out-Of-Field to be sure they comply fully by the end of the stated timeline.

ABAC member Mr. Albert Lopez stated that all the questions posed by Board member/ABAC member Ms. Rojas denote the significance and the importance of this issue. He noted that when he reviewed the audit report, it's a material weakness, the highest level of deficiency from an audit point of view; and at the end of the day, these are funds that are lost. He then proceeded with his question about the student transportation liability and that it cannot be determined at this time. He wanted to know if there was an estimate or a range for this number. The Chief Auditor replied that her office had tried to obtain that number since prior years without success.

ABAC member Mr. Lopez then asked about the controls being put in place to mitigate the internal control weaknesses, such as automation; however, these issues continue recurring. Chief Auditor Ms. Gonzalez replied that the audit addresses two separate areas: school site and teacher certification. As it pertains to school site records, the documentation for school site records is verified to be in place during the FTE counts in October and February to support student funding levels. As it pertains to teacher certification, the verification of records is to determine whether the certification requirements for that teacher teaching students in subject areas, ESOL and ESE comply with the requirements.

The Superintendent proffered that most of these mistakes are associated either with a bureaucratic need not satisfied at the school site (obtaining a signature or including a document in a cumulative student folder that's reviewed), or specific to certification. The issue of certification could result from the fact that a teacher who's assigned certain students via a certain class or course is not appropriately certified or in some cases, it could be the endorsement of the teacher that may be lacking during the "snapshot" of the FTE week. It could be a whole host of reasons. The automation that Mrs. Goldman spoke about eliminates a lot of these issues. There are always mistakes, and this is one of the lowest disallowances that the District has received. At the exit conference, the Auditor General was complimentary of how little the liability was during this audit.

ABAC member Mr. Lopez then had a follow-up question regarding the comparison between the \$1.1 million to the \$300,000 disallowance. The Superintendent replied using Mr. Lopez's words, that this was an "apples to apples" comparison. That is the comparison, the net liability from the last time the District was audited for FTE to the current audit. ABAC member Mr. Rudy Rodriguez followed up on what the Superintendent said, as Mr. Rodriguez commented there was another audit performed two years ago, and he was concerned about the related findings, which were like those shown in this report. Therefore, he called the Auditor General to inquire about the findings, and the AG communicated to him that M-DCPS has the most accuracy compared to other school districts in the State of Florida.

There being no additional questions or comments, a motion was made by ABAC member Mr. Jeffrey Codallo and seconded by ABAC member Mr. Rudy Rodriguez, and at the request of the Acting Chair, all ABAC members in favor of the motion were requested to state their vote. Based on the "ayes" from all the ABAC members, there was unanimous agreement, and the motion carried to approve to recommend that the **Miami-Dade County District School Board Florida Education Finance Program Full-Time Equivalent Student Enrollment and Student Transportation for the FYE June 30, 2019 – Report No. 2021-003**, be received and filed by the School Board.

8. Internal Audit Report – Agreed-Upon Procedures Associated with Coronavirus Pandemic Funding and Expenditures (ACTION)

The Chief Auditor introduced the subject report and stated that this audit project was performed in accordance with the approved 2020-2021 Fiscal Year Audit Plan. She elucidated that this audit report contains the results of four agreed-upon procedures addressing the Administration's efforts to maximize Coronavirus (COVID-19) funding and to ensure that the corresponding revenue and expenditure tracking mechanisms were in place. She also noted that it was independently performed contemporaneously with the District's pursuit of and application for various COVID-19 funding sources and establishment of related controls. Ms. Gonzalez concluded that the findings contained in the report reflect that to date, M-DCPS has thoroughly contemplated and sought to maximize its COVID-19 funding sources and has established associated revenue and expense tracking mechanisms and accounting structures.

Last, the Chief Auditor informed the ABAC members that this audit was performed by Assistant Chief Auditor Mr. Jon Goodman and the District Audits team during the months of July and August 2020; and the COVID-19 funding referred to in this report is reflected in School Board Agenda Item E-201 *Request Authorization To Accept Grant Awards/Donations From Multiple Funding Sources And Enter Into Contractual Service Agreements With The Agencies Prescribed In The Grant (Revised)* that was presented to and approved by the Board at its September 9, 2020, meeting (only a few days ago).

Mr. Goodman introduced himself, greeted the ABAC members and stated that he was ready to answer any questions. School Board member/ABAC member Ms. Mari Tere Rojas was pleased with the results of the audit report and stated that this is a new universe we are experiencing, at a time where the District has been required to navigate through uncharted waters to address this pandemic. Therefore, this audit report provides a way to have full accountability and transparency for the public, for school board members and for all others involved in this process. She also noted that, given that the District is receiving additional funding to assist with the current pandemic situation, it is imperative that this be addressed as this report does; which makes it possible as Board members to fulfill their fiduciary responsibility to those they serve. Ms. Rojas also stated that her Board member colleagues have many questions regarding COVID-19 financial activity, and this report will be very beneficial to have. Last, she thanked the Superintendent and his team for the work that they have done in this area, as reflected by the results in this report.

CFO Mr. Ron Steiger was also pleased with these positive findings, and with the report results. He said that "together we were able to meet our standards." Assistant Chief Auditor Mr. Jon Goodman, who directed this audit, stated that this particular project reflects very favorably on the Administration's efforts pertaining to all COVID-19 related revenue, and the Administration was very assertive at garnering those revenue sources, as well as setting mechanisms to track all expenditures related to COVID-19 funding.

There being no additional questions or comments, a motion was made by ABAC member Mr. Isaac Salver and seconded by ABAC member Mr. Juan del Busto, and at the request of the Acting Chair, all ABAC members in favor of the motion were requested to state their vote. Based on the "ayes" from all the ABAC members, there was unanimous agreement, and the motion carried to approve to recommend that the **Internal Audit Report – Agreed-Upon Procedures Associated with Coronavirus Pandemic Funding and Expenditures**, be received and filed by the School Board.

9. Presentation of Internal Audit Report - Selected Schools/Centers (ACTION)

The Chief Auditor introduced the subject report. According to her, the report includes the internal funds audit results of 45 schools/centers. These include seven (7) schools/centers that report to the North Region Office; ten (10) that report to the Central Region Office; 17 that report to the South Region Office; and 11 that report to the Office of Adult/Technical and Educational Opportunity and Access within School Operations. She added that for 26 of the schools/centers reported, the audit scope was two fiscal years ended June 30, 2020; and for the remaining 19 schools/centers, the audit scope was one fiscal year ended June 30, 2020. Also, at 21 schools/centers, there was a change of Principal since the prior audit. She noted that property inventory audits were conducted at 33 of the 45 schools/centers included in this report. She further noted that one of the centers in this report does not have assigned property, and the property audits of the remaining 11 schools/centers will be reported at a later date this fiscal year with the respective region centers. She then concluded that the audit results were satisfactory; the financial statements were fairly stated for all 45 schools/centers in this report; property inventory results were mostly satisfactory and losses reported were minimal; and there are no audit findings to report for this group of schools/centers.

School Board member/ABAC member Ms. Mari Tere Rojas was elated with the results and the fact that this report had no findings to report. She thanked the Superintendent, Deputy Superintendent/Chief Operating Officer Mrs. Valtena Brown, Chief Human Capital Officer Mr. Jose Dotres, and the Region Superintendents for their efforts with the schools; but most importantly she thanked the Principals, Assistant Principals, Treasurers, and Custodians at the schools who she said are critical personnel to this process, especially during this pandemic, and who are working hard to do well and get the job done. ABAC member Mr. Albert Lopez echoed the sentiment expressed by Ms. Rojas and congratulated everyone. Ms. Gonzalez thanked Mrs. Brown, the Region Superintendents, and the school administrators for having facilitated the scheduling of school and property audits during this pandemic.

There being no additional questions or comments, a motion was made by ABAC member Mr. Jeffrey Kaufman and seconded by School Board member/ABAC member Ms. Mari Tere Rojas, and at the request of the Acting Chair, all ABAC members in favor of the motion were requested to state their vote. Based on the "ayes" from all the ABAC members, there was unanimous agreement, and the motion carried to approve to recommend that the **Internal Audit Report - Selected Schools/Centers**, be received and filed by the School Board.

10. Modification to 2020-2021 OMCA's Audit Plan Re: School Board Meeting of September 9, 2020, and School Board Agenda Item H-14 (Good Cause): 1) Board's approval for OMCA to perform audit/review to determine District's readiness and capabilities in the acquisition of a large-scale instructional technology platform; and 2) Board's approval for OMCA to engage external firm to perform cybersecurity testing services biennially not to exceed \$50,000 (INFORMATIONAL)

Chief Auditor Ms. Gonzalez requested from the virtual meeting co-host and OMCA's Executive Director, Mr. Luis Baluja to bring up on the screen the memorandum she had sent to ABAC members on September 14, 2020, in regards to the modification to the office's Annual Audit Plan related to item H-14, which he did.

According to the Chief Auditor, School Board agenda item H-14 (Good Cause) Revised *Audit/Review Of The District's Readiness And Capabilities In The Acquisition Of A Large-Scale*

Instructional Technology Platform, proffered by School Board member Ms. Mari Tere Rojas and co-sponsored by School Board Chair Mrs. Hantman, Vice-Chair Dr. Gallon and Board Members Dr. Bendross-Mindingall and Ms. Castillo, was approved unanimously during the September 9th Board meeting. Recommendation 1 of that agenda item is for the Chief Auditor *to perform an audit/review to determine the District's readiness and capabilities in the acquisition of a large-scale instructional technology platform*. Recommendations 2 and 3 relate to *the engagement of an external firm to provide network security testing services of the District biennially, not to exceed \$50,000, starting with the 2020-2021 fiscal year*.

Ms. Gonzalez explained that, once the Board approved this item where the Chief Auditor was being directed by the Board to perform an audit, it required a modification to the audit plan, which meant setting aside the upcoming COVID-19 related audit planned for this year (having to do with the review of the distribution of instructional materials, emergency purchases, and Food and Nutrition's distribution of meals) and re-directing resources to this more pressing assignment. Ms. Gonzalez then turned the Committee's attention to the content of the September 14 memorandum to go over the audit objective and the audit plan that her office outlined for this project.

She stated that the objective of this audit had been established by the Board action that was approved. She re-stated that the objective of this audit *was to determine the District's readiness and capabilities in the acquisition and implementation of a large-scale instructional technology platform*. To accomplish that objective, the following plan outline was being presented to the Committee by her office:

- Identify standards and expected protocols in the acquisition and implementation, ranging from the identification of the need, planning, procurement, implementation, testing and go-live.
- Compare the District's acquisition and implementation of the recent K12 platform to previously stated standards and protocols, taking into consideration the challenges during the COVID-19 pandemic and the unexpected, necessary shift to a virtual learning environment.
- Review Executive Orders/Directives from the Governor and/or the Florida Department of Education and the impact on the District's process of providing virtual education during the pandemic.
- Ascertain the actions of other large school districts in the State of Florida and nationwide in a similar set of circumstances during the pandemic.
- Review the experiences of the largest school districts in the nation and ascertain any technical/instructional technology issues with the 2020-2021 virtual opening of schools.

Regarding the recommendations 2 and 3 of the Board item:

- Separately engage an external consultant in accordance with H-14 requirements to address specific cybersecurity/technical/IT issues identified during the 2020-2021 opening of schools.

Ms. Gonzalez closed her presentation of this item by stating that Assistant Chief Auditor Mr. Jon Goodman would be directing this audit, and at this time, she and Mr. Goodman were ready to answer any questions/comments from the ABAC.

Acting ABAC Chair Mr. Christopher Norwood inquired whether this should be an information item or an action item. Ms. Gonzalez clarified for the Committee this was informational because it comes to her office as a directive from and with the approval of the Board, so it correctly comes to the ABAC as an informational item.

ABAC member Mr. Juan del Busto referred to the second action item of School Board Agenda Item H-14, where it requires the engagement of an external firm to provide network security testing services; and suggested that the District make all necessary changes to the system and implement solutions before having an external firm do the network security testing (since a PEN test was just completed last fiscal year). He added that the District is spending funds without the remedies being done. Also, he wanted to fully disclose to the ABAC members that he was a stockholder and Board member of the firm *Easy Solutions*, which is now part of *Cystera Technologies*² from 2013 to 2018. He added that he has no monetary or management involvement in that company as of 2018.

Acting Chair Mr. Norwood inquired whether there should be a response to ABAC member Mr. Juan del Busto's concern.

Ms. Gonzalez responded that she may be able to respond but would also have to solicit input from Chief of Staff Mr. Jaime Torrens. She again referred to her recent memorandum correspondence to the ABAC, but particularly to the *News Alert* document that was part of that correspondence. Her reason is that the *News Alert* announces the Superintendent's upcoming cybersecurity initiatives; and related cybersecurity issues had been discussed during the previous night's Board meeting. Ms. Gonzalez stated that previous to this ABAC meeting, she had discussed with Mr. Torrens that since she has been entrusted with engaging an external consultant to perform this IT network security testing, her office would need to be informed of the timelines of the resolution of the Superintendent's cybersecurity initiatives to ensure that the technical testing performed by the consultant is properly planned and scheduled.

Before Chief of Staff Mr. Torrens was called upon to address the ABAC in response to Ms. Gonzalez's comments, School Board member/ABAC member Ms. Mari Tere Rojas wanted to address the comments previously made by ABAC member Mr. Juan del Busto. She said that with due respect to all those present, she wanted to remind everyone that the ABAC is an advisory committee and the Board had approved this audit item. She categorically stated that there should be no discussion at this point in time to make any changes to the item. She further stated that the Board vetted and addressed this issue extensively. Ms. Rojas wanted to ensure that this was clearly stated for the record. ABAC member Mr. Juan del Busto replied to Ms. Rojas by clarifying that he made that comment because of the subsequent things that have occurred after the approval; and he was not trying to reverse the decision whatsoever.

Chief of Staff Mr. Jaime Torrens confirmed that he had spoken with the Chief Auditor and the focus of the conversation was to make sure there is no conflict between any work going to be

²According to the September 10, 2020, District's *News Alert*, the Superintendent was implementing a task force of cybersecurity experts that included Cystera Technologies' CEO, Mr. Manny Medina. Additionally, according to the *News Alert*, Mr. Medina "has also committed to deploying a team of experts from his company...to assess needs and support the implementation of immediate solutions. His team will be working directly with my cabinet and ITS senior management."

done under this review, and any work that's ongoing right now, so he will coordinate with the audit staff to make sure there is no issue and these reviews do not impact periods of high demand of the District's students and staff.

School Board Vice Chair Dr. Steve Gallon III was brought into the meeting as a panelist and upon this move, he greeted the Acting Chair, ABAC members and Board colleagues. Dr. Gallon wanted to clarify for the record that the Board has made a decision and the Board has ruled on this part of the issue. Any extraneous conversation relative to what this Committee can or cannot do, respectfully, is rendered moot. He understands there was a subsequent committee formulated by the Superintendent; however, he noted that in no shape, form, or fashion that committee either pre-empts or undermines the decision that was made by the Board. He does not see a parallel track in an entity contracted to do a scope of work and a team of good will committed community leaders and volunteers, but that doesn't change the decision made by the Board. He also clarified that the Chief Auditor brought this subject item as informational for this Committee and there should be no inclination by this Committee to deliberate on what the Board has voted upon.

ABAC member Mr. Albert Lopez pointed out that a few months back, the Chief Auditor had contracted a firm to do some penetration testing. He wanted to know if that outcome has been looked at, considered, corrected, and wanted to know what has been done about the issues. He also pointed out that when it comes to IT security, many topics cannot be discussed because they're sensitive issues, but being an advisory group, he said that it's difficult to help if members don't know what the issues are. He remembers that in one of the meetings, it was said that this group should not be concerned about cybersecurity because the District had certain cybersecurity policy in place that would mitigate the risk.

Ms. Gonzalez replied that the meeting to discuss the outcome of the penetration test with the Board is still pending due to the pandemic and not being able to meet in person. She clarified that the penetration test report was issued back in March, right now it is about six months from when that took place. She has requested a follow-up from the Administration providing updates on these issues. Chief of Staff Mr. Jaime Torrens stated his office will be providing written updates to Ms. Gonzalez very shortly. He added that there has been significant progress since March.

Ms. Rojas thanked Mr. Torrens for clarifying that he would work with the Chief Auditor because for those that listened to the School Board meeting, which spanned over ten hours, one of the questions/concerns that she posed was to make sure that there would be no conflict of interest, due to the fact that the actions in the *News Alert* came out on the morning of September 10th, after the Board meeting and vote on this action. Therefore, Ms. Rojas wanted to make very clearly stated for the record her concern regarding a possible conflict between the Board action and what was stated in the news document, and she again thanked Mr. Torrens for the clarification that he would work with the Chief Auditor on this issue.

Next, Ms. Rojas presented School Board Agenda Item H-14 (Good Cause) Revised, read the objective noted on the item and referred to the directives given to the Chief Auditor. She explained that as stated in the agenda item, it is time for the Board to address those challenges recently presented and discussed extensively throughout the County, whether they are connectivity/capacity issues, cyberattacks, and that all must learn from this horrible experience and move forward so this does not happen again. The network testing services review is to respond to the alleged cyberattack and assess M-DCPS readiness. She believes that OMCA does not have the expertise to conduct this type of service. In fact, one such test was finalized by an outside firm in March 2020. Also, another part of this audit is the District's readiness and capability in the acquisition of a large-scale instruction technology platform.

Ms. Rojas also pointed to a previous cybersecurity item, School Board Agenda Item H-9 from the School Board meeting of July 15, 2018, that she sponsored as well. She stated that staff's follow-up to this item provided interesting facts and raised some additional questions, specifically in 2017-2018, when 48 major attacks designed to disrupt the network environment were mitigated at that time. However, recently, news media reported that a 16-year old student successfully disrupted the M-DCPS network environment. She questioned why these actions could not be stopped after security upgrades, and she wanted to know what happened. She also pointed out that cybersecurity issues have been discussed on several occasions in ABAC meetings, specifically, on September 18, 2018, July 16, 2019, May 12, 2020, and July 21, 2020, meetings. Furthermore, the penetration (PEN) test was included in the 2019-2020 Audit Plan in response to H-9 and concerns from ABAC members arising from emerging global cybersecurity issues. However, results of the PEN test are confidential and have not been discussed with the Board due to the pandemic. This will take place at an Executive Session when the Board is able to meet in person. Whatever the outcome is, audits are a way to improve by looking at corrective actions, enhancements and then move on.

Ms. Rojas stated that IT has an accountability issue right now and it is expected from us to address this unfortunate experience. Also, several pages of the ABAC minutes reflect discussion on cybersecurity issues, software program online instruction model, curriculum program, network security testing project report (results that cannot be discussed publicly) and other related discussions. She added that this is probably the most important pending issue that we must resolve, and the Board is cognizant of that fact. She noted that this can't be discussed publicly, so the Board is going to have to wait until there is an opportunity to have an Executive Session to further discuss.

ABAC member Mr. Juan del Busto wanted to say for the record that he agrees with ABAC member Mr. Albert Lopez, as to how the ABAC can provide advice on cybersecurity issues if the Committee members are not informed of the results. Also, what confidence does it give that a 16-year old had eight different penetration attacks on the system after having an outside firm perform a penetration test.

ABAC member Mr. Albert Lopez expressed his concern about having the necessary expertise internally, such as having an IT Security Officer with the right expertise to deal with these issues. He inquired as to the level of expertise within the internal audit group to be able to deal with IT security issues, training and making sure our people are looking out for phishing, malware, and those types of things. What do we have in place ongoing? It's not just about having a firm come in every year and test.

Chief Auditor Ms. Gonzalez replied to ABAC member Mr. Albert Lopez regarding the experience in the OMCA office. She explained that Executive Director Mr. Luis Baluja is a Certified Information Systems Auditor, and there is another Information Technology Auditor who has a degree in cybersecurity. Furthermore, she indicated to the Committee that the audit plan shows that OMCA has done a number of IT-related audits. Regarding the PEN test and who should do it, she stated that the external firms use a certain number of expensive software tools, and the District is better served with a firm that has those tools, and the fact that the test is done independently of a district office. She believes that her office's internal capabilities and the external testing compliment the overall process.

ABAC member Mr. Albert Lopez expressed that he would like to go deeper into this at another meeting and ABAC member Mr. Jeffrey Kauffman agreed that this discussion needs to take place at another meeting. ABAC member Mr. Juan del Busto suggested that cybersecurity training

should be required for management and maybe even the Board at least once a year. Acting ABAC Chair Mr. Christopher Norwood expressed to the Chief Auditor that the ABAC wishes to have a discussion on cybersecurity at the next ABAC meeting. The Chief Auditor stated that she will discuss this request with the ABAC Chair Mr. Erick Wendelken.

Board Member/ABAC member Ms. Mari Tere Rojas fully concurred with everyone. She also pointed out that at the September 9, 2020, Board meeting, she had sponsored Agenda Item H-17 (Good Cause) *Impact of Recent Cybersecurity Attacks on Miami-Dade County Public Schools (M-DCPS)* that was fully approved by the Board. In this item, related to current cybersecurity issues, the Board is directing the Superintendent of Schools “to provide the Board with an updated review of current network security practices; a complete and accountable response about the recent cyber-attacks, including responsible vendors and actions taken or to be taken; review of current and future staffing needs in Information Technology Services (ITS); review and needs of appropriate equipment currently housed at ITS supporting network security systems; M-DCPS financial investment in ITS for the past five years; updated ITS recovery plan; and provide a report to the Board by October 21, 2020.” Ms. Rojas stated that this item will be very helpful when the ABAC members meet again on December 1, 2020, to discuss cybersecurity issues since the response from the Superintendent to this item would have been received by then and would be available for the ABAC members to discuss during the meeting.

This report was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC is required.

11. Office of Management and Compliance Audits’ 2020-2021 Annual Report (ACTION)

The Chief Auditor introduced the subject report and explained that this report is required by Board Policy 6835. Pursuant to policy, the Chief Auditor is to present an annual report to the ABAC, the Board and Superintendent on the results of audit activities. This report also includes OMCA/CIU’s proposed budget.

Ms. Gonzalez went over the report highlights for the 2019-2020 fiscal year which include: OMCA and CIU successfully maintaining continuity of work during the COVID-19 pandemic via both virtual and non-virtual working environments; successfully coordinating ABAC virtual meetings using ZOOM Webinar as the platform, completing a number of school audits that surpassed the projected percentage established for 2019-2020 (320 out of 359 total site audits); performing two IT audits (Legacy/SAP Security Controls and Roles for District Sites, Charter Schools and Vendors); also performing the annual GOB expenditures audit for FY 2018-2019, which included a follow-up of the prior GOB midpoint audit, among other District audits; and the review of 134 Charter Schools’ certified financial statements. Additionally, the Chief Auditor mentioned that she acted as the audit liaison to several AG audits and internal and external activities. Finally, she was pleased to report that CIU has completed all backlog cases and finished the year with only three open cases.

School Board member/ABAC member Ms. Mari Tere Rojas complimented this very comprehensive report, particularly CIU’s efforts, since this required a tremendous amount of work to accomplish and reach this outcome. Also, on behalf of the Board and Board Chair Mrs. Perla Tabares Hantman, and the Board’s Vice Chair, Dr. Steve Gallon III, she thanked OMCA staff, Ms. Gonzalez and her team: Assistant Chief Auditor Mr. Jon Goodman. Ms. Tamara Wain (School Audits), Mr. Richard Yanez (District Audits), Mr. Luis Baluja (IT Audits), and Mr. Reinaldo Montano (CIU). She gave congratulations to all for a job extremely well done!

There being no additional questions or comments, a motion was made by ABAC member Mr. Jeffrey Kaufman and seconded by School Board member/ABAC member Ms. Mari Tere Rojas, and at the request of the Acting Chair, all ABAC members in favor of the motion were requested to state their vote. Based on the “ayes” from all the ABAC members, there was unanimous agreement, and the motion carried to approve to recommend that the **Office of Management and Compliance Audits’ 2020-2021 Annual Report**, be received and filed by the School Board.

12. Office of Management and Compliance Audits’ Activity Report (INFORMATIONAL)

The Chief Auditor introduced the subject report. She indicated that this provides information on the work performed by her office since the last ABAC meeting in July and includes the current reports that are being presented today as well as audits that are in the pipeline. However, this report was printed before the Board acted on Board Agenda Item H-14; therefore, it does not include the audit that was voted on by the Board and that her office is about to engage.

Ms. Gonzalez also explained that her office is at the starting point of the review of the charter schools’ financial statements since these audited financials are being submitted to the District in September. Those reviewed by staff will be brought to the ABAC at its next meeting. Regarding CIU, she noted that the division will continue with their regular caseload. As far as personnel matters, at the previous ABAC, there was discussion regarding her office’s open positions. At the present time, one position has been filled. Regarding the rest, her office is in the process of interviewing candidates for the other positions. She added that this continues to be a work in progress, and she thanks the Board and the ABAC for the support provided to fill these positions.

ABAC member Mr. Albert Lopez inquired whether the open positions may hinder OMCA from carrying out the plan. Ms. Gonzalez stated that the District Audits Division has no openings at this time and the work is underway. She clarified that the openings are in the School Audits Division, and that Division has taken steps to plan the work accordingly during this hiring process. She stated that she did have an area of concern, which was the Property Audits Division. However, the full-time open position was filled after mid-September and the work is going as planned. Presently, she said that she does not have a significant concern regarding the open positions since she is in the process of hiring; however, as she has done in the past, she will bring to the Committee’s attention any potential or unforeseen delays or impairments regarding the hiring of the open positions that may have an effect on the office’s execution of the plan.

This report was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC is required.

13. Initial Reading to Amend School Board Policy 6835 Office of Management and Compliance Audits (INFORMATIONAL)

The Chief Auditor introduced this item and stated that this was presented to the School Board on the August 12, 2020, meeting as a first reading for proposed amendments to various School Board policies, including OMCA’s Board policy 6835. These changes will be presented to the School Board on October 21, 2020, for a final reading and approval of the Board.

According to the Chief Auditor, the focus of the changes relates to the Office of Management and Compliance Audits and performance of the Chief Auditor, especially the professional standards and standards of ethical conduct. She pointed out that the changes in the item were highlighted

for the Committee members' easy identification and review. The changes were initially proffered by Board Chair Mrs. Perla Tabares Hantman in May 2020 and stem from that initiative. These changes also extend to the individual Board policies directly impacting the Superintendent, the Board Attorney and the Inspector General.

The Committee members seemed to agree with the proposed changes and there were no questions on this item. This report was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC is required.

14. Miami-Dade County Office of the Inspector General Annual Report 2019-2020 (INFORMATIONAL)

The Chief Auditor introduced the subject report, as well as Office of Inspector General Ms. Mary Cagle who was the panelist slated for this presentation. She added that Ms. Cagle, who has been the Inspector General for the past few years, is soon retiring at the end September 2020, and will be introducing her successor Inspector General.

Acting Chair Mr. Christopher Norwood expressed surprise that Ms. Cagle was retiring. He stated that he has known Ms. Cagle for approximately 20 years since the time that she was the Executive Director of *CHARLEE Homes for Children* and he was on the Board of that organization. He jovially inquired if this was her second retirement, and she replied in good spirits that this will be her real retirement. Mr. Norwood also noted that he had not received the hard copy report that her office usually sends to the ABAC members, and Ms. Cagle replied that this year, her office had made a decision to generate the report in electronic format only due to the COVID-19 pandemic. Mr. Norwood welcomed her to the meeting for her presentation.

Ms. Cagle thanked the Committee and pointed to the report's letter where her retirement on September 29 is communicated. She explained the selection process for the Inspector General when a vacancy occurs, which she added is in compliance with established ordinance. She announced that the selection panel for that process selected Mr. Felix Jimenez as the next Inspector General for the County and through the interlocal agreement the next Inspector General for the school district. She said that Mr. Jimenez (who was the Deputy Inspector General for several years) has been in her leadership team since she became Inspector General, and he is very well known in the community for his investigative work in the area of public corruption. Therefore, she was very pleased that he was selected, and the appointment affirmed on August 31, 2020, by the Board of County Commissioners. His new appointment will start on September 30, 2020.

Ms. Cagle took the opportunity to thank Board Chair Mrs. Perla Tabares Hantman and the Superintendent for understanding the critical piece of the relationship (between their offices), which is the independence. Ms. Cagle further stated that Mrs. Hantman has created an environment in the District which is one of respect between the IG and the Board, and the Superintendent has done the same. This allows her office to do the work without interference, which is really what the community wants. Ultimately, she thanked Mrs. Hantman and those Board members who were on the meeting for their support, as well as the Superintendent.

In her presentation, Ms. Cagle pointed to the interlocal agreement in the report, and that according to her, defines the relationship between the IG and M-DCPS. She pointed out the IG team for M-DCPS led by Supervisory Special Agent Mr. Tom Knigge, four staff agents and an administrative assistant, supported by the downtown IG office. She also announced that the team received a national award and was recognized by the National Association of the Inspector Generals and by

the Council of Inspectors General on Integrity and Efficiency (mostly federal IG's but local IG's too). This past year the M-DCPS IG team received the award for the Ridore case, which was an important case and that case was done well.

Next, Ms. Cagle introduced Mr. Felix Jimenez, who appreciated the opportunity to address the Committee. Mr. Jimenez thanked the Committee for their hard work, Board Chair Mrs. Perla Tabares Hantman, School Board member/ABAC member Ms. Mari Tere Rojas, the Superintendent Mr. Alberto Carvalho and his staff for the support provided to his office. Mr. Jimenez then introduced Ms. Shelby Williams as the new Assistant Inspector General that will oversee the school district's IG office. She is currently the Senior Supervisory Special Agent overseeing the office at Miami International Airport, where she is responsible for directing numerous criminal and administrative investigations that resulted in arrests and the recovery of millions of dollars. Ms. Williams thanked both Ms. Cagle and Mr. Jimenez for their support and opportunity to lead the team to an exciting and amazing future, and she looks forward to working in this arena.

Next, Supervisory Special Agent Mr. Tom Knigge went over the annual IG report that is presented to the Committee every year as required in the interlocal agreement. Mr. Knigge illustrated the highlights of the report and pointed to page 6 where there was a remembrance for the passing in 2020 of Administrative Assistant Ms. Angie Evans. Ms. Evans provided support to his office and was known and appreciated by many in the District. Mr. Knigge said that she will be remembered fondly for her kindness and great working disposition.

School Board member/ABAC member Ms. Mari Tere Rojas thanked Ms. Cagle and the IG team for the comprehensive report and expressed her appreciation for their work. She was sorry to see Ms. Cagle leave, however, understands it is time to enjoy family and friends, but noted that Ms. Cagle will be dearly missed. She congratulated and thanked both Mr. Felix Jimenez and Mr. Tom Knigge, and Ms. Patra Liu. Also, she recognized ABAC member Mr. Julio Miranda as the former IG before the current IG team and for the work that Mr. Miranda did.

The Committee members were pleased with the report and presentation, and there were no questions on this item. This report was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC is required.

NEW BUSINESS: SELECTION OF EXTERNAL AUDITING SERVICES

The Chief Auditor introduced the topic of the selection of external auditing services. Ms. Gonzalez shared with the Committee that OMCA oversees the contracts: 1) for the external auditing services for the financial statements of the District; 2) for the special purpose financial statements auditing services of WLRN TV/Radio Stations; and 3) for the special purpose financial statements auditing services of the Educational Facilities Impact Fee Fund. Her office no longer oversees the external auditing services of MECA. She explained that the most recent contracts with the external audit firms were issued back in 2016; and each of these consisted of a three-year contract with two one-year contract extensions. She noted that this current year represents the last extension for the external auditing services of the District, for the external auditing services of WLRN TV/Radio Stations, as well as the external auditing services of the Educational Facilities Impact Fee Fund.

At present, Ms. Gonzalez has been working with the District's Procurement Management Services' District Director Ms. Charisma Montfort and Chief Procurement Officer Mr. Mario De Barros, in the RFP process for the solicitation of these services. She explained that pursuant to

Florida Statute and Board Policy and specific to the hiring of the external auditor, the ABAC is also the Audit Selection Committee for the external auditor of the District. According to the proposed timeline for the RFP, she said that the District should be receiving responses from potential candidates which are then to be reviewed by ABAC members for the screening, interview, and recommendation process to hire an external audit firm. To this end, the ABAC must hold a Special Meeting, and Ms. Gonzalez suggested several dates in November for this to take place. Of those dates mentioned, members pointed to November 12 or 13 as the preferred date for the Special Meeting of the ABAC.

Acting ABAC Chair Mr. Christopher Norwood inquired as to the expectation for selecting the date. He inquired if this date was to establish a date for the review of the respondents to the RFP or procurement activity of some sort. Ms. Gonzalez responded in the affirmative and requested that Ms. Montfort explain the process.

Mr. De Barros and Ms. Montfort described the selection process and timeline. Ms. Montfort stated that the Procurement Department has released three solicitations for external independent auditing services last week. The solicitations are for external independent auditing services to replace current contracts with vendors RSM US LLP (responsible for the external auditing services of M-DCPS) and C Borders-Byrd, CPA LLC (responsible for the external auditing services of WLRN TV/Radio Stations and Educational Facilities Impact Fee Fund). All three solicitations will have non-mandatory pre-bid conferences in a public forum on September 23, 2020, with solicitation due to Procurement Management Services on October 20, 2020, and at that time Procurement Management Services will provide a due diligence review and check and verify each of the respondents as to whether they are responsive and responsible.

She explained that for each RFP, the selection committee will review each of the proposals for qualifications, overall qualifications, cost and certified firm participation and other evaluation criteria. ZOOM meetings can be scheduled to conduct oral presentation of the actual proposal by the proposers followed by a Q&A session. Afterward, another meeting will take place to debrief and discuss which proposal meets the best needs of the District.

Acting ABAC Chair Mr. Christopher Norwood requested clarification on the number of meetings. Ms. Gonzalez replied that the ABAC is responsible for the selection of the external auditing services of the District only; and the other two external auditing services (related to the audits of WLRN and Educational Impact Fees) are selected by a different selection committee.

Ms. Gonzalez explained that regarding the ABAC, the process can be all completed in one meeting, one date. Ms. Gonzalez suggested to begin the meeting in the morning to review the proposal packages, and interview the candidates/proposers in the afternoon, all to be done in one day. From previous experience, she did not anticipate more than four or five respondents. She noted that for this Auditor Selection Committee, Board member/ABAC member Ms. Mari Tere Rojas would be the Chair of the Auditor Selection Committee.

The matter of the Auditor Selection Committee for external auditing services was discussed and explained at length since several ABAC members were unclear as to whether they were vested with reviewing, interviewing and making a recommendation for external auditors for the District, as well as for WLRN and for the Educational Impact Fees. Both Ms. Gonzalez and Ms. Montfort clarified that of the three RFPs, the ABAC was responsible for the selection of the external auditor of the District, which is the audit currently contracted with RSM US LLP. Ms. Gonzalez explained that it was coincidental that all three RFPs were being processed at the same time since the contracts will end a few months from each other. However, she and Ms. Montfort wanted to ensure

that the Committee was also informed of the RFPs corresponding to WLRN and the Educational Impact Fees.

Ms. Montfort also explained the scoring process; however, she stated that instructions will be provided at the time that proposals are submitted to the Committee members.

School Board member/ABAC member Ms. Rojas said that she would be fine with selecting November 13th as the date for this Special ABAC Meeting and she hoped this would be satisfactory for ABAC member Mr. Juan del Busto, who could not attend on the 12th due to prior commitments with the bank. Chief Procurement Officer Mr. Mario De Barros stated that the purpose of this discussion was to select a date for this process, and he stated that November 13th looked like an optimal selection. Mr. Norwood noted that the Chair of that Auditor Selection Committee, Ms. Rojas, appeared to be available on the 13th, and asked the ABAC members present if they could meet on that date.

Ms. Gonzalez proceeded to poll the individual ABAC members present and confirmed that all members would be available to meet on November 13, 2020, except for ABAC Chair Mr. Erick Wendelken and ABAC Mr. Isaac Salver³ who were not present; therefore, their availability is not known at this time. Pursuant to ABAC member Mr. Rudy Rodriguez's inquiry as to when his term was completed and whether this would prevent him from participating in the Special Meeting, the Board Attorney clarified that all three ABAC members that will retire in November will be able to participate in this selection process, since the last day they serve on the ABAC Committee will be November 16, 2020, and the date of the Special Meeting precedes their last day of service.

This report was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC is required.

OLD BUSINESS: Follow-Up Items from Prior ABAC Meeting (Oral Presentation)

Role of SBE firms In External Auditor's Contract

The Chief Auditor introduced this item. According to her presentation, a request had been made for the Chief Auditor to follow-up with the results of RSM US LLP regarding the role of SBE firms with financial audits. This issue had come up during the prior ABAC meeting's presentation of RMS's audit plan, where an ABAC member noticed that one of the two minority firms, the Hispanic firm, was no longer part of the team. However, during the initial part of RSM's contract, the audit team had included two minority firms, an African American firm, and a Hispanic firm. Today's follow-up was to clarify this issue.

Ms. Gonzalez started by explaining that during the ABAC meeting in July, her office brings the audit plan of the external audit firm RSM US LLP for ABAC's discussion and recommendation to transmit to the Board, and the plan includes the team who is going to be part of that audit. She said that back in 2018, the partner in charge of the RSM audit team was Mr. Donovan Maginley (who passed away later that year); and previous to the time that she became Chief Auditor in June 2018, during March/May of that year, there had been several discussions at this Committee related to the audit of WLRN TV/Radio because of the discovery of overstatements/understatements of the revenue of the TV/Radio stations and other

³ ABAC member Mr. Isaac Salver exited the meeting after Ms. Shelby William's presentation and the Chief Auditor communicated his departure to the participants of the ABAC meeting at his request.

discrepancies. These audit issues had resulted in certain fines/penalties being assessed to the District.

Ms. Gonzalez further explained that when Mr. Maginley was making the presentation of RSM's annual plan at the July 2018 ABAC meeting, which included an illustration of the RSM team, one Committee member had brought to her attention a concern that one of the two SBE firms that were part of that team was the Hispanic firm who had also been one of the predecessor audit firms in charge of the audit of WLRN. The concern was not only about that issue, but also because of potential legal issues since the Superintendent had stated at that same meeting that the District had placed the WLRN's predecessor auditors on notice. At the time, Ms. Gonzalez shared the concern with Mr. Maginley. Unfortunately, Mr. Maginley passed away, Mr. Friedman stepped in as partner, and as for the 2019 and 2020 plans from RSM, only one of the two minority firms from the original contract, the African American firm, continued as part of the audit team. In 2019, she pointed out that the plan presented did not include the Hispanic firm, however, no questions were asked by the Committee. This year, when the plan was presented, there were questions as to why the firm was dropped and why that firm is no longer included. Consequently, to address this follow-up issue of the SBE firms, Ms. Gonzalez requested RSM to invite the African American minority firm's partner to this presentation for any questions (which RSM did); and also requested participation from Administration from Procurement Management Services to provide clarification on this issue (which they did as well).

Acting Chair Mr. Christopher Norwood, clarified that the intent of his inquiry (at the last ABAC meeting) was not for this Committee to discuss anything related to the specific reasons why this minority firm is no longer working with RSM and the circumstances that led to that, regarding the WLRN situation which has been ongoing for very long time. He stated that his line of questioning is more from a procedural perspective as to when a minority business is part of a procurement activity and that minority firm is no longer engaged with that company, and it does not appear that this Committee was informed as to whether there was an intent to replace the minority firm or not, there was no conversation on this. He stated that this ABAC that deals with accountability around procurement activities should set the example. Therefore, if a firm received a procurement based on minority participation of an African American firm and a Hispanic firm, and any one of those minority firms are no longer part of that team, then it would appear that, if this is not part of the contracting procedures, then it should be part of the contracting procedures, that if there is a change in those minority firms, then there needs to be a discussion with the School District since firms do not disappear years into the contract. He understands there were valid reasons why this particular situation happened, however, that is not the point that he is bringing across to the Committee. His point is that the Hispanic firm should have been replaced with another Hispanic firm, and if it was not, then why it was not replaced; and he does not see why this requirement should not be part of the contract. Moving forward into this new contract, he stated that those requirements should be included.

Chief Procurement Officer Mr. Mario De Barros stated that he understood that the issue Mr. Norwood brings up refers to what the District is doing moving forward. With regard to the past, Mr. De Barros explained that the agreement in question was established five years ago and since then, more alignment with OEO⁴ and Procurement has taken place, the District not only is doing more with certified firms, but is having better tracking mechanisms. Regarding the coming solicitations, in the section where the rating and evaluation of participation by certified firms or subcontractors is documented, the committee will be awarding points based on a commitment by

⁴ The District's Office of Economic Opportunity is responsible for providing small, micro, veteran, minority and women-owned businesses, with an equal opportunity to participate in all aspects of M-DCPS district contracting and purchasing programs.

each vendor. Then there is a requirement to report on that certified firm and should a certified firm not be available, be it that it was dismissed or changed, it will be required to replace it to satisfy that commitment, provided the replacement is approved by the District. Furthermore, Mr. De Barros stated that there are two other important things going forward as well. One is that vendors will self-report in B2G⁵ the certified dollars. Another is that Procurement now has a Contract Compliance Director to oversee and check on things like this to ask the questions before it is somewhat too late.

Regarding minority firms, Ms. Montfort further explained that there is an established procedure for substitution of minority firms in the event there is dissolution, or performance related issues, the same dollars that were set aside in the initial contract continue throughout the services. As an example, she explained that if a company said they were going to provide 15 percent of their dollars to an African American or Hispanic firm, and the minority firm dissolves, the firm would need to replace it with another African American or Hispanic firm, and provide the 15 percent dollars. Mechanisms have been established to avoid a scenario where a firm is not replaced.

Acting ABAC Chair Mr. Christopher Norwood thanked them for their explanations but inquired if there was anything in RSM's existing contract that would have required the firm to inform the District if a minority firm that was part of their team was no longer there. Ms. Montfort replied that RSM's existing contract does not delineate a requirement to report and replace.

ABAC member Mr. Jeffrey Codallo inquired if a substitution was required, how could that be done. He wanted to know if the firm now would have to select and have a "stand-by" firm in case there is a collapse or dissolution of the certified firm. Mr. De Barros stated that the commitment of these firms is to invest a certain amount of dollars in a certified firm and should that original minority firm default or dissolve, it would be the responsibility of that firm to contract a replacement; however, the replacement would have to be vetted by the District. The strategy is no longer "do you have a certified firm on your portfolio" but the question is "do you have a certified firm that you are going to proffer, what is the scope of the service, what is the commitment dollars, and if that doesn't work out midway through the agreement, you will have to find another firm to satisfy that commitment, but the District reserves the right to approve as a vendor."

The Committee was pleased with the clarification and no other questions were posed.

Follow-Up to Finding No. 4 RE: AG's Operational Audit of M-DCPS (From Minutes of July ABAC Meeting)

Board member/ABAC member Ms. Mari Tere Rojas brought up an issue reflected on page 17 of the July 21, 2020, meeting minutes regarding an inquiry made by Board Chair Mrs. Perla Tabares Hantman during the July ABAC meeting, in reference to Finding no. 4 (charter school capital outlay funding), and the status of the District's corrective action to the finding. Pursuant to the minutes, Mrs. Hantman had inquired if there was a particular reason that action had not been initiated. Her question referred to an update on the findings of the AG's Operational Audit from the Administration discussed during the July ABAC meeting. According to Ms. Rojas' explanation of this update, at the July ABAC meeting, Mr. Steiger had stated that the District had disagreed with finding no. 4; and the matter had been referred to DOE's Counsel to discuss with School Board Attorney Mr. Walter Harvey. According to Mr. Steiger, he had briefed Mr. Harvey on this subject, and Mr. Harvey was aware that this matter was pending. Mrs. Hantman had followed up

⁵ Diversity software system in the Office of Economic Opportunity to track spending and diversity standards for contractors and vendor participation.

by asking Mr. Harvey if he had heard from the DOE, but according to Mr. Harvey, DOE's General Counsel Mr. Matthew Mears had not reached out to him regarding this issue. The Board Chair felt this was imperative since it was a legal issue that needed to be placed on the record but someone from the District needed to keep track of this pending issue. At today's meeting, Ms. Rojas followed up by asking Mr. Harvey and Mr. Steiger if there has been an update as to the status of this pending issue.

Mr. Steiger responded that the DOE's attorney has not reached out to either him or Mr. Harvey. Mr. Steiger pointed out that the "ball was in their court" and eventually will reach out to the District. Ms. Rojas inquired as what "eventually" represented in terms of a timeline, let it be three or six months, or one or two years. She inquired when does the District expect to have a conversation with the State since nothing has been heard from them and some time has elapsed. Mr. Steiger replied that he already initiated the conversation and it was for them to get in touch with the District and he cannot provide a timeline. He added that this was not a pressing issue for the District or for the DOE. Ms. Rojas responded that this is a pressing issue for the Board Chair who put it on the record, felt it was very important and as such, needed expeditious follow-up.

Ms. Rojas then directed the question to Mr. Harvey as to when the follow-up should take place with Mr. Mears, if he should follow-up with Mr. Mears, or wait for who knows how long to receive a response from the State. Mr. Harvey replied that Mr. Mears has not reached out to him, so the status quo remains in effect. However, if that is the will of the Board, he offered to reach out to him and initiate the issue further. He has spoken to Mr. Mears at least once, and he will be happy to reach out to Mr. Mears again to see if this is resolved. This is part of the appeals process and the status quo remains in effect until it is resolved.

Ms. Rojas further inquired if this would be something that would have to be brought up at Committee or Board meeting. Mr. Harvey replied that it doesn't necessarily have to be brought to a Board meeting, it doesn't take Board action for him to reach out to the State to see if this issue can be expedited on their part. He further stated that this is not necessarily a matter that the Board typically would be involved with since it is an appeal that is going through staff. [In the Operational Audit] they [the AG auditors] are asking that \$1.8 million be re-distributed to charter schools. That [finding] has been appealed [by the District]. The status quo remains in effect; there is no action required by the District until the State takes further action. It is incumbent upon the State to pursue this as opposed to the Board; but certainly, in light of the importance, he could reach out to Mr. Matt Mears since he has his cell number and initiate the call and find out where this issue stands at this time. Ms. Rojas thanked Mr. Harvey and said she may follow-up on this issue at a later date.

Request for Presentation from Procurement Management Services

ABAC member Rudy Rodriguez said that for the next ABAC meeting it would be of interest for the Committee to become informed on an important part of the District which is Procurement. He remarked that Procurement has gone through some changes throughout the last year, and would like to have a presentation to learn more about the new Procurement Administration, the general operation of Procurement, and he stated that it would be wise for Procurement to make a presentation to the Audit and Budget Advisory Committee. He then made the motion to request the presentation from the Administration and his motion was seconded by Board Member/ABAC member Ms. Mari Tere Rojas.

At the request of the Chief Auditor, Chief Procurement Officer Mr. Mario De Barros was brought back into the meeting as a panelist so that he would be aware of the request and the breath of

the presentation. After a brief commentary on several procurement issues that was made by ABAC member Mr. Rodriguez, Chief Procurement Officer Mr. Mario De Barros proffered to make a brief presentation of his background and experience, so the Committee knows what to expect of him. Mr. De Barros stated that he plans on covering items such as extracting value for the District and keeping it legal, following all Board policies and regulations. He added that he would like to present what Procurement has been able to accomplish in the first six months of his tenure and introduce his team. The Committee agreed with Mr. De Barros' proposal and unanimously voted to approve the motion for this presentation.

Current Distance Learning and Recess Period Through ZOOM Platform

Last, ABAC member Mr. Stephen Hunter Johnson placed a general comment to the Administration for the record regarding the current distance learning of students. He noted that as a parent whose children are currently distance learning through ZOOM, he encourages the recess period for elementary school children particularly to be done on ZOOM so the kids can actually interact with each other and continue their social growth and socialization. He stated he wanted his comments to be heard by members of the School Board and Administration that were present at the meeting.

This report was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC is required.

ADJOURNMENT

Since there was no further business to come to the Committee, and upon a motion duly made by School Board member/ABAC member Ms. Mari Tere Rojas, seconded by ABAC member Mr. Juan del Busto and unanimously voted on and approved by the ABAC members, the meeting was adjourned at **4:12 p.m.**

MTG: