



## ***Financial Oversight Committee Meeting***

Education Center, 4<sup>th</sup> Floor Seminar Room  
1829 Denver West Dr., Building 27  
Golden, CO 80401

### **Meeting Minutes** **November 29, 2022 – 9:30 a.m.**

#### **Financial Oversight Committee (FOC)**

##### **Members Present:**

Amy Alvarez  
Brian Ballard  
Christine Havlin  
Melissa Jamieson  
Jessica Keene  
Robert Last  
Theresa Shelton

##### **Staff Present:**

Tracy Dorland, Superintendent  
Brenna Copeland, Chief Financial Officer  
Brian Sammons, Budget Director  
Christie Moss, Controller  
Charley Falkenburg, EA to CFO

##### **Committee Members and Staff Absent:**

Steve Bell, Chief Operating Officer

##### **Additional Attendees:**

Mary Donovan, Insight Investment

#### **Welcome & Approval of Minutes**

Ms. Copeland called the meeting to order at 9:33am. The minutes from the October 25 FOC meeting were presented to the committee both as the original version as well as a version containing edits provided by committee member Shelton. Discussion ensued on the verbiage and inclusion regarding the FOC's consideration of advisory support from a district financial advisor. Further discussion and approval of the October 25 meeting minutes were tabled until the next FOC meeting on January 24, 2023.

#### **Debrief: Board Conversation**

Chairperson Keene and Committee member Havlin provided a brief recap of their presentation of the FOC's recommendations to the Board of Education at the November 2 Study Session. Chairperson Keene noted that she verbally included support to engage an external financial advisor although that was not included in the final list of FOC recommendations. The committee agreed that it will be important to stick to what is in the official memo of recommendations, or to identify comments as individual opinions when addressing the Board.

Chairperson Keene also noted that the Board had questions regarding the unassigned reserve recommendation, and that further assistance would be requested from the FOC on revising this policy.

The Board had also expressed its appreciation for the time and effort the FOC put into its recommendations as well its support for the district's initiatives such as Regional Opportunities for Thriving Schools.

#### **Presentation: Investment Returns for FY22 and Current Market**

Mary Donovan, from Insight Investment, provided a presentation on the district's fair market value adjustments as well as a walk through Jeffco's July through June 2022 returns. This included a high-level overview of the current market environment and strategies being deployed as well as a look into the performance, activity, and status of Jeffco's reserve and bond proceeds portfolios.

## **Annual Comprehensive Financial Report (ACFR) Update**

The annual report is nearing completion is required to be submitted to the Board of Education by November 30 and to the state auditors no later than December 31, per state statute.

Ms. Copeland provided an overview of the summary of the results, highlighting the findings that were identified by the auditors. The report on financial statements included both a material weakness and significant deficiency in internal control over financial reporting. Ms. Copeland reviewed the details of the grant in question, which was a supplemental grant from the Emergency Connectivity Fund. The district submitted a reimbursement request that included ineligible items (cases for the student computers). This invalidated the entire request. The district will appeal and resubmit for reimbursement on laptop bundles that include the hardware, software and warranty as a single line item, which is permissible under grant guidelines. The audit is noting that this reimbursement was originally included as a receivable, then adjusted during the course of the testing relating to this program. This occurred concurrent to notification by ECF that the reimbursement request was denied.

Superintendent Dorland listed multiple factors at play in the situation which included: coordination issues between grants accounting and the IT department regarding this grant; complicated grant management requirements in this unique grant that is direct from the FCC as opposed to a pass through CDE; and capacity issues in the Accounting team.

Discussion ensued on the challenges noted. Superintendent Dorland noted that the District has begun engaging in conversations regarding additional staff and resources within Accounting and potentially related areas of Financial Services and planning for a long-term project to potentially upgrade the ERP system.

The auditor's findings on the Federal Awards Report included a material weakness regarding charter school debt. Due to time constraints, Ms. Copeland stated they would revisit that at the next FOC meeting in January.

## **2022-23 First Quarter Report**

The First Quarter Report has been completed and is currently still in the process of being reviewed. Upon review and approval by the CFO, it will be posted to the Financial Services website.

## **Next Meeting Preview**

The next meeting agenda will focus on returning to the conversation on the district's financial sustainability and working on upcoming recommendations to the Board. It will also include unfinished business in the November meeting, including review and approval of the October 25 minutes, the First Quarter Report, and the auditor's finding on charter debt.

The next meeting will be Tuesday, January 24.

## **Adjournment**

The meeting adjourned at 11:37am.