



**OFFICIAL MINUTES OF THE BOSTON SCHOOL COMMITTEE'S
INTERNAL AUDIT TASK FORCE MEETING**

October 25, 2018

The Boston School Committee's Internal Audit Task Force held a meeting on October 25, 2018 from 5-7 p.m. at Boston City Hall, One City Hall Square, Room 608, Boston, MA 02201. For more information about any of the items listed below, visit www.bostonpublicschools.org, email esullivan3@bostonpublicschools.org or call the Boston School Committee Office at (617) 635-9014.

ATTENDANCE

Task Force Members Present:

Scott Baranowski – Wolf & Company, Task Force Co-Chair
Judi Gonsalves – Liberty Mutual, Task Force Co-Chair
David Dyson – The Nature Conservancy
Dr. Joy Gray – Bentley University
Jonathan Joint – Boston College Student
Jim McGough – Wolf & Company (non-voting member)
Ranjani Narayan – Deloitte
Marcia Schow – Manulife John Hancock
Natalie Velasquez – State Street Corporation

Task Force Members Absent:

Michael O'Neill – 451 Agency and Boston School Committee member
Thomas Berton - Cambridge Savings Bank

DOCUMENTS PRESENTED

Agenda

Internal Audit Task Force Membership Roster

Memo from Boston School Committee member Michael O'Neill to Boston School Committee
Re: Internal Audit Task Force proposed charge and membership, September 12, 2018

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CALL TO ORDER

Co-Chair Scott Baranowski called the meeting to order.

Mr. Baranowski introduced himself and welcomed the members. He introduced adjunct member Jim McGough of Wolf & Company who will provide consistent coverage should Mr. Baranowski be unable to attend any meetings. The members introduced themselves, briefly sharing their backgrounds and why they were interested in being part of the Internal Audit Task Force.

SUMMARY OF DISCUSSION

Mr. Baranowski reviewed the three key objectives for the group: (1) define the charter, which will provide guiding principles for the internal auditor to follow, including recommended reporting responsibility, initial and longer-term areas of focus, goals and staffing template; (2) devise an outline of the risk assessment methodology and audit plan; and (3) define qualifications and draft a job description for the position of BPS Internal Auditor.

Mr. Baranowski provided the members with some background information on Boston Public Schools (BPS) being a dependent school district, meaning that it is dependent on the City of Boston for funding. He explained that the primary responsibility of the city auditor is ensuring the accuracy, completeness, and compliance of financial transactions, rather than serving as a second set of eyes, which is the more traditional audit function. He said that the Task Force must determine the reporting structure for the Internal Auditor position: Superintendent, School Committee, or City Audit Committee. He also explained that the control structure should complement the infrastructure of the school system.

Ms. Gonsalves suggested that the Task Force consult with legal counsel and the City Auditor to ensure compliance with Massachusetts General Laws and City of Boston requirements. While the process may take some time, it is important and will build a strong foundation for success. After an internal auditor is hired, the Task Force might be asked to continue to operate as a monitoring body.

Members discussed the optimal timeline for hiring an auditor, as well as next steps and sequencing. They also discussed how the Internal Audit Task Force came to be established and the role of the School Committee.

Mr. Baranowski suggested that the Task Force reach out to other audit functions in the country, both public and private sector, to learn how other organizations have approached this work.

Members discussed the balance of best practices vs. compliance. Members also discussed the demands of creating a charter or policy proposal to present to the School Committee for consideration.

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Mr. Baranowski provided a brief overview of the role of the BPS Superintendent and the School Committee and the implications for the hiring of the internal auditor, reiterating the importance of learning from other organizations.

Members discussed how best to present its completed work to the School Committee (e.g. approach could be narrow or broad, traditional or creative). All agreed that the charter and job description will be critical to the success of this work. The Task Force expressed a desire to better learn the functions of the district and city government, adding that Mr. O'Neill's perspective will be of great value to the group. Mr. Baranowski suggested that the Task Force invite experts in internal audit to present ideas to the Task Force.

The members requested a copy of the latest BPS org chart to better understand the BPS reporting structure, which Ms. Parvex agreed to provide.

The Task Force closed the conversation by discussing dates potential dates for upcoming meetings and how to best to proceed effectively.

The next meeting of the Internal Audit Task Force is scheduled for November 1, 2018.

PUBLIC COMMENT

No speakers.

ADJOURN

At approximately 6:50 p.m., the Committee voted by unanimous consent to adjourn the meeting.

Attest:



Lena Parvex
Administrative Assistant
Boston School Committee