

**Roanoke City Public Schools Audit Services
FY 2016-2017**

1/21/16

Background:

Per Ordinance 35580-91701, City Council requires that the Municipal Auditing Department conduct continuing financial and performance audits of the affairs and records of the School Board.

In accordance with School Board Policy DIB, "School Audit Services," the School Board utilizes the services of the Municipal Auditing Department to help ensure the school system complies with all financial and regulatory requirements under federal, state and local statutes and to facilitate effective and efficient operations within the Division.

The Municipal Auditing Department provides a minimum of 1,600 chargeable hours towards auditing and consulting work specific to Roanoke City Public Schools. The department has three CPAs, two Certified Internal Auditors, one Certified Fraud Examiner, and one Information Systems Auditor, providing a greater breadth of knowledge and experience than one full time person could typically offer.

Roanoke City Public Schools reimburses the City 125% of the salary mid-point for a Senior Auditor to help offset the City's costs. All current members of the Auditing Department have senior level experience and their salaries are above the salary mid-point.

Fee Computation for Fiscal Year Ending June 30, 2017:

Min	Max	Mid-Point	@125%
\$43,037	\$68,860	\$55,949	\$69,936

Audit Services Fee Last Year [FY16]:	\$66,924	
Year-Over-Year Increase for FY17:	<u>\$3,012</u>	4.50%

Prepared by: Drew Harmon
Municipal Auditor

Attachments: Pay Plan July 1, 2015
Ordinance 35580-91701
Board Policy DIB - School Audit Services

Pay Plan

July 1, 2015

Pay Grade	Minimum Biweekly (Hourly)	Minimum Annual Salary	Maximum Annual Salary	Maximum Biweekly (Hourly)
4	\$758.24	\$19,714.24	\$31,542.94	\$1,213.19
	9.4780			15.1649
5	\$796.17	\$20,700.42	\$33,120.36	\$1,273.86
	9.9521			15.9233
6	\$855.84	\$22,251.84	\$35,603.36	\$1,369.36
	10.6980			17.1170
7	\$921.95	\$23,970.70	\$38,353.12	\$1,475.12
	11.5244			18.4390
8	\$1,018.61	\$26,483.86	\$42,374.28	\$1,629.78
	12.7326			20.3723
9	\$1,125.54	\$29,264.04	\$46,822.88	\$1,800.88
	14.0693			22.5110
10	\$1,243.82	\$32,339.32	\$51,742.60	\$1,990.10
	15.5478			24.8763
11	\$1,331.43	\$34,617.18	\$55,387.54	\$2,130.29
	16.6429			26.6286
12	\$1,484.53	\$38,597.78	\$61,756.50	\$2,375.25
	18.5566			29.6906
13	\$1,655.29	\$43,037.54	\$68,859.96	\$2,648.46
	20.6911			33.1058
14	\$1,845.60	\$47,985.60	\$76,777.22	\$2,952.97
	23.0700			36.9121
15	\$2,057.86	\$53,504.36	\$85,607.08	\$3,292.58
	25.7233			41.1573
16	\$2,324.51	\$60,437.26	\$96,699.98	\$3,719.23
	29.0564			46.4904
17	\$2,591.81	\$67,387.06	\$107,819.66	\$4,146.91
	32.3976			51.8364
18	\$2,889.86	\$75,136.36	\$120,218.80	\$4,623.80
	36.1233			57.7975
19	\$3,262.22	\$84,817.72	\$135,708.04	\$5,219.54
	40.7778			65.2443
20	\$3,637.36	\$94,571.36	\$151,314.02	\$5,819.77
	45.4670			72.7471

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IN THE COUNCIL OF THE CITY OF ROANOKE, VIRGINIA,

The 17th day of September, 2001.

No. 35580-091701.

AN ORDINANCE directing and providing for audits of certain affairs and records of the School Board of the City of Roanoke, and dispensing with the second reading of this ordinance.

WHEREAS, §56 of the Roanoke Charter of 1952 provides that Council, at its discretion, may “by ordinance provide for an audit of the affairs and records of the School Board by the municipal auditor or by any other competent person or firm selected by the Council;” and

WHEREAS, Council desires to have the Municipal Auditor conduct continuing financial and performance audits of the affairs and records of the School Board, pursuant to the provisions of an audit plan to be developed by the Municipal Auditor, Council’s Audit Committee and the School Board.

THEREFORE, BE IT ORDAINED by the Council of the City of Roanoke as follows:

1. The Municipal Auditor be and he is hereby authorized and directed to conduct financial and performance audits of the affairs and records of the School Board, such audits to be pursuant to the terms of letters of engagement from the Municipal Auditor based on an audit plan to be developed by the Municipal Auditor, City Council’s Audit Committee and the School Board; provided that such audits shall not interfere with the day-to-day operations of the School system or the School Board’s supervision of such operations.

2. Pursuant to the provisions of §12 of the City Charter, the second reading of this ordinance by title is hereby dispensed with.

ATTEST:

City Clerk.

RCSB
Board Policy – DIB [School Audit Services]

Policy DIB
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SCHOOL AUDIT SERVICES

I. Purpose

In order to help ensure the school system complies with all financial and other regulatory requirements under federal, state and local statutes and to facilitate effective and efficient operations within the Division, the School Board utilizes the services of the City of Roanoke's Municipal Auditing Department. In an effort to create a smooth and productive process for conducting school audit services with the City's Municipal Auditor, the School Board adopts the following guidelines.

II. Audit Committee

A. The School Board has established an Audit Committee to work with the Municipal Auditor to review and recommend specific areas of Division operations to be audited.

B. The Audit Committee shall review the annual audit plan and any subsequent changes to such audit plan.

C. The Audit Committee shall review and discuss all audit reports and management responses in an effort to facilitate operational improvements within the Division.

D. The Audit committee shall work with the Municipal Auditor to make recommendations of the areas of school operations which are to be audited each year. These recommendations of which areas of school operations which are to be audited will be forwarded to the School Board in the form of an audit engagement letter. The School Board shall render its decision as to which areas of school operations are to be audited by its final approval of the audit engagement letter.

III. Audit Committee Meetings

The Audit Committee shall meet as needed, but not less than once per quarter. The time and place of committee meetings shall be set by the committee chair in accordance with state and local statutes. The Municipal Auditor shall maintain minutes of the meeting, which will be approved by an affirmative vote of the majority of committee members present.

IV. Audit Engagement Letters

An audit engagement letter shall be drafted for each area of the school operations to be audited. The audit engagement letter shall include the audit objectives, scope, methodology to be utilized, and specify the timeframe within which such audit is to be completed. The audit engagement letter shall be prepared initially by the Municipal Auditor with input from the Audit Committee. Following the Audit Committee's approval of the terms of the audit engagement letter, it will be forwarded to the School Board for final approval.

RCSB
Board Policy – DIB [School Audit Services]

V. Audit Reports

A. Preliminary Audit Report – The Municipal Auditor shall provide the Audit Committee and the School Administration with a preliminary audit report containing audit recommendations at least thirty (30) days prior to the issuance of any final audit report. The School Administration shall have thirty (30) calendar days to prepare management responses and recommendations regarding corrective actions to both the Audit Committee and the Municipal Auditor.

B. Final Audit Report – The Municipal Auditor shall incorporate any management responses or corrective actions taken by the School Administration into its final audit report and shall describe such corrective actions implemented as of the date of the final audit report. The Municipal Auditor will issue the final audit report to the Audit Committee and provide copies to the Superintendent and affected School Administration departments. The Audit Committee will present the final audit report to the School Board for final disposition.

Adopted: October 9, 2007

Reviewed: August 12, 2012

Legal Refs.: Roanoke City Charter Section 56.

Cross Refs: DI—Financial Accounting and Reporting