

Audit Committee Meeting  
Wednesday, February 24, 2021 4:30 PM

Virtual

## **Agenda**

- I. Introduction
- II. Office of Internal Performance Auditors (OIPA) activity status update
- III. Follow up on Office of Internal Performance Auditors (OIPA) performance measures and survey
- IV. Health and Safety Processes and Systems Audit
- V. Contract Audit Implementation Scorecard
- VI. Public Comment

*To sign-up for public comment  
email [PublicComment@pps.net](mailto:PublicComment@pps.net) or  
call Kara Bradshaw at 503-916-3906.*



**Audit Committee Meeting Date: February 24, 2021**

**Audit Status Update**

**ACH Audit**

- Posted on the PPS Audit Reports web page, and presented to the Board via Audit Committee Chair, Director Brim-Edwards' Audit Committee report on 2/9/2021.
- In the April 2021 Audit Committee meeting we will provide an update on the timing for final testing needed.

**PCard Audit**

- Fieldwork underway – Audit report to be presented to Audit Committee in the 04/07/2021 meeting

**Health and Safety Checks Audit:**

- Per discussion in the last Audit Committee meeting (1/13/21) we have begun the planning for this audit. We anticipate our first on-site visit for LIPI (limited in person instruction) to be in early March, 2021.
- The agenda has designated separate time to discuss this audit in more detail later in today's meeting.

**Hardship Transfer Audit**

- Next audit – Planning to begin early March

**Student Body Activity Funds Audit**

- Will begin following the Hardship Transfer audit. Tentatively mid-summer.



PORTLAND PUBLIC SCHOOLS

# The Office of Internal Performance Audit (OIPA)

Performance Measures





# Best Practices

The “Internal Auditing in the Great City School” report, issued by the Council of the Great City Schools, states it is best practice for internal audit departments to utilize key performance indicators (KPIs) to set goals, measure performance, and provide information to stakeholders.



**KPI 1:** Number of audits completed per full time employee (FTE) – Target of 1.5 audits per FTE

**KPI 2:** Recommendation implementation rate (**within two years of report date**) – Target 75%

**KPI 3:** Rate of management's agreement with recommendations – Target 75%

**Informational ~~performance measure data~~:** Average audit hours and number of audits completed



## For Discussion Today

- When/how we will report on KPIs
- How will we monitor/calculate KPIs
- Draft survey questions





# When/how we will report on KPIs

- We will use the District's fiscal year of 07/1/xx – 06/30/xx
- We will gather and compile information during the summer months
- We will present a report on OIPA KPIs to the Audit Committee in the September meeting
  - Example: In the September 2021 Audit Committee meeting, we will provide a report on OIPA KPIs for the 20/21 fiscal year



# How we will monitor/calculate KPIs

**KPI 1 - Number of audits completed per full time employee (FTE) – target 1.5 per FTE**

- Reports delivered to the Audit Committee during the fiscal year will meet the criteria.
  - Examples:
    - Contracts Audit report – delivered June 29, 2020 – Not included in the 20/21 fiscal year
    - ACH Audit report – delivered 1/13/2021 – Will be included in the 20/21 fiscal year

**KPI 2 - Recommendation implementation rate (within two years of report date) – Target 75%**

- We will use the date on the audit report (typically a month) to calculate the start of the two year period.
  - Example:
    - Contracts Audit report – dated June 2020
    - The target of 75% recommendation implementation rate will be calculated using the number of recommendations made (20 Contracts Audit recommendations - not including those made for consideration) in comparison to the number of those recommendations implemented by the District as of June 2022. This calculation would be included in the 21/22 annual report presented to the Audit Committee in September 2022.

NOTE: The current status of implementation rate will be reported on annually – meaning the 20/21 OIPA KPIs report presented in the September 2021 meeting will include the current status of implementation rate. However the target of 75% implementation rate will not be applied until the 21/22 OIPA KPIs report.





# How we will monitor/calculate KPIs

KPI 3 – Rate of management’s agreement with recommendations –  
Target 75%

- KPI 3 will be calculated using the same methodology as KPI 2; however, we will compare the number of recommendations made to whether District management agreed or disagreed with the recommendation.
- Currently, Management has the option to select Agree, Partly-Agree, Partly-Disagree, or Disagree. For purposes of the target calculation, we will group Agree and Partly-Agree together, and Partly-Disagree and Disagree together.





# How we will monitor/calculate KPIs

## Informational data-

average audit hours and number of audits completed

- This will be calculated by dividing the total number of staff audit hours during the fiscal year by the number of audits completed.
- There is no target identified. This is just the data that helps support KPI 1.



# Future KPIs

Auditee feedback is a common KPI. OIPA will work on developing a survey to gather auditee feedback so this performance measure can be added to the OIPA's KPIs in the future.



# Auditee Survey

We utilized the IIA (Institute of Internal Auditors) survey template and modified to make it more applicable for a school district.





# Auditee Survey Rating Scale

Selection options:

- Strongly agree
- Agree
- Neither Agree nor Disagree
- Disagree
- Strongly Disagree
- Not Done





# Auditee Survey Format

- Introduction Questions
- Audit Scope Questions
- Auditor Knowledge and Professionalism Questions
- Audit Communication and Reporting Questions
- Open-Ended Questions
- Contact Information (optional)





# Auditee Survey Questions

## Introduction Questions

- Department name (optional):
- Audit Topic (i.e., Contracts Audit, ACH Audit, PCard Audit): (Blank space provided for the answer)
- My position most closely relates to (select one):
  - Management
  - Staff





# Auditee Survey Questions

## Audit Scope Questions

- OIPA staff solicited feedback from you and your team to ensure your concerns were adequately addressed during the audit.
- The audit objectives, purpose, scope, and audit processes were clearly communicated during the initial phase of the audit.

## Knowledge and Professionalism Questions

- OIPA auditor(s) were professional and courteous throughout the audit process.
- **OIPA auditor(s) demonstrated a reasonable understanding of the area under review. – Tentative**
- OIPA auditor(s) appeared fair, reasonable, and objective throughout the audit – e.g., auditor(s) were not judgmental or argumentative – and offered quality feedback.
- OIPA auditor(s) took actions to minimize the impact on your daily operations – e.g., provided meeting agendas, coordinated mutually agreeable meeting times, and started and finished meetings on time.





# Auditee Survey Questions

## Audit Communication and Reporting Questions

- Audit observations / results were communicated clearly in a timely manner during the course of the audit.
- Any concerns or differences of opinion you brought to the OIPA auditor(s) were responded to before the final audit results were communicated.
- The results or outcome of the audit added value to your department.

## Open-ended Questions

- Were there aspects of the audit that you found particularly helpful?
- Were there aspects of the audit that you found particularly challenging?
- If any of the above questions were rated lower than average, we welcome your comments outlining your concerns that pertain to that specific evaluation criterion below.





# Auditee Survey Questions

## Contact Information (optional)

- If you would like to be contacted by OIPA or the Audit Committee to discuss the results of this survey, please indicate below:
  - Member of OIPA
    - Yes – (Please provide your preferred email address for initial communication)
    - No
  - Member of the Audit Committee
    - Yes – (Please provide your preferred email address for initial communication)
    - No





# Auditee Survey Results and Target

- Results of the survey will be included in the annual OIPA KPIs report.
  - ETA: September 2022
- Target – OIPA is requesting no current target expectation.
  - Reconsideration of establishing a target to be discussed annually as part of the OIPA KPIs report presentation in September of each year.





# Next Steps

- The Audit Committee can look forward to the first OIPA KPIs report in September 2021 (will not include Auditee Survey content).
- OIPA is soliciting feedback on the survey questions. Please let us know if you have thoughts you would like us to consider.
- OIPA will provide the final Auditee Survey to the Audit Committee in an upcoming meeting.

# Questions?





## Audit Committee Meeting Date: February 24, 2021

### Health and Safety Checks Audit- Status Update

#### Audit Plan

Objective/Goals: To determine whether school buildings (where students are attending in person classes) are in compliance with the building safety plan put in place due to the coronavirus pandemic.

Background Information: As the District begins to have students attending in person classes and/or activities, compliance with each school building safety plans will be crucial to safeguarding the health and safety of District students and staff.

Risks: There is a risk school building will not be in compliance with the building safety plans which could lead to an increased risk of spreading the coronavirus.

Timing: This audit will begin when/if students begin attending in person classes and/or activities.

Results of on-site visit will be provided to District administration within two working days of the site visit to ensure timely feedback. A summary of the results of the site visits completed to date will be provided to the Audit Committee at each meeting while the audit is underway.

Audit Scope, includes but not limited to:

1. Review of the building safety plans
2. Determination of whether the building is in compliance with the building safety plan

**NOTE: The audit will not determine the adequacy of the building safety plans, it will only determine compliance with the building safety plan.**

#### Current Status

- We have begun planning to test some building that are offering LIPI (limited in person instruction) in preparation for more wide scale testing when the District provides hybrid opportunities.
- A primary audit liaison has been selected by District management to help facilitate the audit, and we are working on developing a communication plan to ensure there are no surprises.
- We have been provided with a list of school buildings that are currently providing LIPI, the roll out dates for LIPI at additional school buildings, the building safety plans for each, and we have begun reviewing them.
- We have met with several members of the District administration to provide an overview of the audit and provide some general ideas of what they can expect during the audit.
  - Claire Hertz, Deputy Superintendent Business & Operations
  - Dan Jung, Chief Operating Officer
  - Dr. Russ Brown, Chief of Systems Performance
  - Joe Crelier, Director of Risk Management
- We are working to create a format for students to provide OIPA with student's perspective on this audit.
  - Current volunteers include: Parker Myrus and Jackson Weinberg - both members of the Audit Committee, and Nathaniel Shue, Student Representative to the PPS Board.



- We are looking to diversify student input so if you are aware of any student who may be interested in volunteering please let me know and I will be happy to reach out to them.

#### **Next Steps**

- We are working to develop a generic checklist of items that we will test for when onsite, as well as a list of any items we may request while onsite.
  - It is our intent to provide the checklist to the audit liaison (as well as a list of agreed upon leadership team members) so they can distribute them as widely as they wish before any onsite visits take place.
- It is our intent to provide the audit liaison (as well as a list of agreed upon leadership team members) with notification of which buildings we are planning to test the following week. For example, we are tentatively planning to email out on Wednesdays the list of building we are planning to visit at any point during the following week.
  - We welcome the audit liaison to distribute that notification broadly so no one is surprised when we show up onsite.
- We are committed to providing the audit liaison (as well as a list of agreed upon leadership team members) results of the onsite visit within two business days to ensure timely feedback.
- We are planning to provide the Audit Committee with a summary report of testing completed to date at each Committee meeting. The Committee can expect to receive the first report in the April 7, 2021 meeting.

#### **Questions, comments, or feedback?**

**Date:** February 20, 2021  
**To:** Audit Committee  
**From:** Mary Kane  
**Subject:** Update on Contractor Training

As part of the audit review, we were asked to update the Board on our phased implementation of the mandatory training requirements for contractors and to explain the change in for in the original implementation plan. Our initial implementation was stalled by language in the Professional Conduct policy requiring all contractors to be trained before working with DHS. Amendments to the Professional Conduct Policy adopted by the Board in February have provided us a clearer path to completing the plan. Specifically, the change requires mandatory training only for contractors with direct, unsupervised contact with students.

## **IMPLEMENTATION**

In the fall of 2019, a group comprising, among others, members of the General Counsel's office, Human Resources, Purchasing & Contracting, Title IX, Strategic Partnerships, and OTIS convened to develop the training procedures for volunteers and contractors.

The District enters into approximately 700 personal services contracts each year, ranging in cost from \$0 to over \$1,000,000 per year. These contracts range from a single contractor giving a one-hour presentation to a class or a dance troupe performing at an assembly to large organizations providing individual student mentoring and outreach to hundreds of students both in the school and in the community. The District also has other types of contractors, such as landscapers and facilities specialists, who are in schools but have no contact with students. We began differentiating the types of contracts in order to determine which trainings should be required for each type. Although the Professional Conduct Policy requires only training on that policy, we believed that certain contractors needed additional training.

We noted in the February 2020 follow up to the Whitehurst report that we were adding training requirements for certain contractors to include 1) Child Abuse Prevention and Reporting (includes identifying sexual abuse); 2) Discrimination, Harassment, Bullying and Retaliation (includes info about how to report and prohibited retaliation following report); and 3) Staff to Student: Sexual Conduct (from Safer Schools).

Because we realized the work of modulating the number and types of trainings we wanted to require of the different types of contractors would take longer than anticipated, we took a tiered approach to the work. We looked first to our large RESJ community partners, *e.g.*, SEI, IRCO, Latino Network, etc., because of the duration and intensity of their direct and unsupervised contact with students. We determined that these community partners should be required to participate in all of the student-safety trainings required of PPS staff. This compliance

requirement was incorporated into the 2019-2020 contracts and is now a standard requirement in their contracts.

As part of this first phase, the Office of Technology and Information Services offered PPS email addresses to contractors so they could take the trainings through the District's training platform. This platform, called Pepper, allows PPS to track training compliance with contractors, as well as employees. With this important piece in place, a team turned its attention to the field of other contractors working with the District.

We began work on developing criteria for our other contractors and quickly ran up against issues of capacity, security, and fiscal impact as the initial requirement was that all contractors, even those with no direct, unsupervised contact with students, were required to complete trainings. These problems slowed implementation progress considerably. Covid slowed things further. The June 2020 reconfigured team expanded to include representatives from OTL, Student Success and Health, Multiple Pathways, and Funded Programs to understand better the types of work we were contracting for and what safeguards were already in place.

In February 2021, the Board amended the Professional Conduct policy. It now provides that all contractors with direct, unsupervised contact with students must complete training in order to work in the District. With this amended mandate, the team is moving forward in completing its work identifying tiers of training, which we believe best align to the type of student-facing work to be performed by the contractor. We have developed a template that will be incorporated into contracts as an exhibit to require the contract manager to choose one of the tiers based on certain outlined factors. This exhibit will provide the internal control and guidance to ensure that both the contractor and contract manager understand what is required of them. We are also developing a training handbook to assist contract managers in managing training for contractors.

**Contracts Audit  
Implementation Plan**

**Due October 1, 2020**

Signature Approvals	Date Approved
Emily Courtnage, Director of Purchasing & Contracting Tracy Pinder, Director of Financial Services Legal - Mary Kane Dani Ledezma, Senior Advisor, Racial Equity & Social Justice Instructional Tab Claire Hertz, Deputy Superintendent of Business and Operations Superintendent (or designee)	

2020 Contracts Audit Recommendations				Implementation Plan			Status Updates	
#	Abbreviated Recommendation	Response	Responsible Administrator / Manager	Comment	Implementation Plan (Specific steps to be implemented)	Anticipated date implementation will be complete (generally expected within 6 months)	Comments	Status update as of Dec 2020
1	1. Re-evaluate internal controls to ensure all District staff who manage or work with contracts complete the mandatory contracting training course prior to the established deadline.	Agree	Emily Courtnage, Director of Purchasing & Contracting	We agree with the recommendation and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	For the 2020-21 school year, we changed our practice as follows: We completed updating the 20-21 contracting course in June 2020 and published the new version in late June. We posted notice in Admin Connect on June 30 and July 7: "Effective July 1, 2020, the 2020-21 course must be completed before you submit a contract for the 2020-21 school year." Thus, the course requirement was effective immediately with no "grace period" as in prior years. We continue to check for course completion by contract manager and contact person with every contract that is submitted.	Completed as of July 1, 2020		Completed
2	2. Maximize the benefit of the training course, by requiring the training course applicable for the contract term, to be completed by the required staff prior to initiating the contract.	Agree	Emily Courtnage, Director of Purchasing & Contracting	We agree with the recommendation and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	See response to Recommendation 1, above.	Completed as of July 1, 2020		Completed
2 a)	Consider changing the deadline for the required training course to August 1st of the applicable year.	Partly Agree	Emily Courtnage, Director of Purchasing & Contracting	We agree with the recommendation to change the course deadline and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days. However, we do not agree that August 1st is a realistic course completion deadline, particularly for school staff and administrators. We will propose a new annual course update schedule and completion deadline designed to better address Recommendations 1 and 2.	See response to Recommendation 1, above.	Completed as of July 1, 2020		Completed
				Instructional Leadership agrees with the recommendation and will include action steps	Instructional Leadership:	Instructional Leadership:	Instructional Leadership:	Instructional Leadership:

3	Develop and implement internal controls that will ensure a thorough and robust review and evaluation of the contracts performance is completed and documented prior to deciding whether or not a similar contract should be negotiated in the future	Agree	Instructional Leadership, RESJ leadership	within our implementation plan presented to the Audit Committee within 60 days.	Instructional Leadership: Contract managers who manage significant instructional or student services contracts will provide a summary of performance metrics met or unmet and provide recommendations in regards to future contracting. This information will go to supervisors and be uploaded into Cobblestone contract management software.	March, 2021	CBO Additions: All CBO Schools are awarded contracts through a competitive RFP process which occurs every 5 years. Contracts are renewed and amended annually and include a range of different accountability measures as part of a robust Alternative Accountability Framework, which encompasses ongoing data review as well as submission of annual reports and deliverables. All contracts include relevant and district/state aligned performance objectives. Contracts are aligned with ORS 336.631 which include rules for Private Alternative Education.	On Target			
				As noted in the Audit, the personal services contracts that include RESJ Partnerships are currently part of a robust review and reimagining. All contracts are currently subject to a competitive process where proposers are asked to submit documentation of both proposed and prior contract performance to complete a scope of work. The request for proposals includes required narrative and a logic model that describes the contract outputs (service delivered) and intended student outcomes that will form the basis of the contract reporting and district evaluation for awarded proposers. This competitive process will provide the basis for contract awards for up to three years upon successful completion of required contract deliverables each school year. The basis for contract negotiation is outlined in both the PPS RESJ Partnerships Investment Strategy and the 2019-2700 RESJ Partnerships solicitation.				RESJ leadership:	RESJ leadership:	RESJ leadership:	RESJ leadership:
								1. RFP process for RESJ Contracts occurred in summer 2020. 2. RESJ and SPP will develop an evaluation process for RESJ Contracts. SPP Staff assigned to conduct the performance management and evaluation process. This will be an annual process.	1. Complete 2. Evaluation and Monitoring processes are ongoing. SPP staff assignment is complete. Evaluation development is in progress with		Completed
3 a)	Update the contracting training course to include additional guidance and expectations related to review and evaluations	Agree	Emily Courtnage, Director of Purchasing & Contracting	We agree with the recommendation and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	Our 2020-21 mandatory contracting training course includes additional guidance on contract review and evaluation, including evaluation of, and keeping a record of, performance and outcomes.	Completed as of July 1, 2020		Completed			
3 b)	Utilize the content of the Board Cover Memo to create a template for Contract Managers to document the review and evaluation for all contracts.	Agree	Emily Courtnage, Director of Purchasing & Contracting	We agree with the recommendation as it applies to large instructional, family engagement, and student services contracts (for which the Board Cover Memo was designed) and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days	The P&C department implemented new contract management software (Cobblestone) in the summer of 2020. Over the next several months, P&C will train contract managers on its use. One of the capabilities of the new software is the ability of P&C staff to trigger custom surveys (or evaluation questionnaires) to	March 31, 2021		On Target			
				Purchasing & Contracting agrees with the recommendation that contract reviews and evaluations should be saved with other contract documents in a central and accessible location, and we will include implementation actions in our	RESJ Leadership:	RESJ Leadership:	RESJ Leadership:	RESJ leadership:			
								On Target			
					Instructional Leadership:	Instructional Leadership:	Instructional Leadership:	Instructional Leadership:			

3 c)	Require the review and evaluation be reviewed and approved by the Contract Manager's supervisor and submitted to the P&C Department for record keeping.	Partly Agree	<p><b>RESJ Leadership &amp; Instructional Leadership &amp; Emily Courtnage, Director of Purchasing &amp; Contracting</b></p>	<p>implementation plan presented to the Audit Committee within 60 days. However, while P&amp;C can provide instruction to contract managers and a central and accessible repository for all contract related documents, P&amp;C does not have contracting staff capacity to manage the collection, submission, and supervisor approval of contract performance reviews for all instructional contracts nor the subject matter expertise to judge the content or accuracy of such reviews.</p> <p>Instructional Leadership agrees that there will be a review and evaluation of the contract by the contract manager and that they will inform their supervisor when they have completed that process and uploaded the information. We disagree that the supervisor of the contract manager will also review and evaluate the contract as this is redundant work and that the contract manager is capable of doing this.</p> <p>RESJ leadership agrees with the recommendation to document contract compliance activities, however given the capacity of the respective departments has reservations about creating processes to add another layer of compliance. We do however commit to continuing to work in collaboration across departments to ensure effective contracting.</p>	<p>Instructional Leadership: Contract Managers will upload review and evaluation documentation into Cobblestone contract management software for record keeping once the processes are completed and they will inform the supervisor upon completion.</p>	<p>March 2021</p>	<p><b>On Target</b></p>
				<p><b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b></p>	<p><b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b></p>	<p><b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b></p>	<p><b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b></p>
				<p>P&amp;C: One of the advantages of the new Cobblestone contract management software (Cobblestone) is the ability of contract managers to save all contract-related documents, including work documents, email communications, and any contract deliverables and evaluations, in a centralized, easily accessible location. We will instruct contract managers that they should save such key contract documents, including any reviews and evaluations, in the contract record in Cobblestone.</p>	<p>March 31, 2021</p>	<p><b>On Target</b></p>	

3 d)	d) Increase transparency by saving all review and evaluations in a central and accessible location so they can be easily accessed and reviewed by stakeholders	Partly Agree	Emily Courtnage, Director of Purchasing & Contracting	We agree with the recommendation that contract documents, including any reviews and evaluations provided by contract managers, should be saved in a central location and readily accessible to District staff, and we will include implementation actions in our implementation plan presented to the Audit Committee within 60 days. However, while P&C can provide instruction to contract managers and a central and accessible repository to facilitate compliance with this recommendation, P&C does not have contracting staff capacity to manage and ensure the collection and submission of contract performance reviews for all instructional contracts.	See response to Recommendation 3(c) above.	March 31, 2021		On Target
4	Develop and implement internal controls that will ensure all contracts include appropriate and specific deliverables, performance measures, expected outcomes, how the performance of the contract will be measured, and reporting requirements tailored to the particular contract.	Agree	Instructional Leadership & Emily Courtnage, Director of Purchasing & Contracting & RESJ leadership	<p>recommendation that our internal controls (including mandatory templates and training and the contract approval process) should help ensure that instructional, family engagement, and student services contracts include appropriate deliverables, performance measures, and expected outcomes, and we will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.</p> <p>Instructional Leadership agrees and will include implementation actions to ensure all contracts include appropriate and specific deliverables, performance measures, expected outcomes, how the performance of the contract will be measured, and reporting requirements tailored to the particular contract.</p> <p>RESJ - Agree with the recommendation. The current competitive process scores and evaluates proposed scope of work and deliverables measured against a proposed logic model that describes expected outcomes and measures for which ongoing reporting will be required. Once selected, contractors will negotiate final terms and in partnership and RESJ will collaborate with the Office of School Performance to develop system measures to gauge the impact of all RESJ</p>	<p><b>RESJ Leadership:</b></p> <p>1. RFP process for RESJ Contracts occurred in summer 2020. 2. Execute RESJ Partnership Contracts with appropriate deliverables, performance measures and outcomes.</p> <p><b>Instructional Leadership:</b></p> <p>Instructional Leadership: All contracts will include specific deliverables, performance measures, and expected outcomes.</p> <p><b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b></p> <p>P&amp;C: See responses to Recommendations 3(a) through 3(d) above. Our 2020-21 mandatory contracting training course includes additional guidance on contract review and evaluation, including evaluation of, and keeping a record of, performance and outcomes. In addition, Cobblestone contract management software will provide a centralized and accessible location to save all contract documents.</p>	<p><b>RESJ Leadership:</b></p> <p>1. Completed 2. 15 of 16 contracts executed and approved by board by October 6, 2020. Final contract to be executed by November 2020.</p> <p><b>Instructional Leadership:</b></p> <p>March 2021</p> <p><b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b></p> <p>March 31, 2021</p> <p>Completed as of July 1, 2020</p>	<p><b>RESJ Leadership:</b></p> <p>1. Completed 2. All contracts have been executed. All contracts will be amended to include updated reporting, invoicing and parent notification procedures by February 2021.</p> <p><b>Instructional Leadership:</b></p>	<p><b>RESJ leadership:</b></p> <p><b>Completed</b></p> <p><b>Instructional Leadership:</b></p> <p><b>On Target</b></p> <p><b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b></p> <p><b>On Target</b></p> <p><b>Completed</b></p>
4 a)	Require the use of the Specialized SOW template.	Agree	Emily Courtnage, Director of Purchasing & Contracting	We agree with the recommendation and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	Our 2020-21 contract training course includes new guidance stating that the specialized scope of work template is mandatory for contracts for student, instructional, or family engagement services originating out of Central Office and involving direct, ongoing, intensive instructional and support services to student and families. The P&C contract review team looks for this template in applicable contracts during the contract review and approval process.	Completed as of July 1, 2020		Completed

4 b)	Require the appropriateness of the specific deliverables, performance measures, expected outcomes, how the performance will be measured, and reporting requirements tailored to the particular contract be reviewed and approved by a qualified Educational Specialist who is not involved with the management of the contract.	Partly Agree	<b>Instructional Leadership</b>	Instructional Leadership partly agrees with this recommendation. Staff outside of the contract that are qualified educational specialists do not have time in their current workload to review and approve the specific deliverables, performance measures, expected outcomes, how the performance will be measure and reporting requirements. The Executive Instructional Leadership Team (EILT) made up of the Deputy Superintendent, Chief of Schools, Chief Academic Officer, and Chief of Student Support Services will review and approve these elements on contracts going to the Board for approval.	Instructional Leadership: Instructional Leadership meets twice weekly and reviews contracts before they go to the Board and checks contract managers to ensure they have specific deliverables, performance measures, expected outcomes, how the performance will be measured, and reporting requirements tailored to the particular contract.	March 2021		<b>Completed</b>
4 c)	Increase transparency by saving the completed Specialized SOW template in a central and accessible location so they can be easily accessed and reviewed by stakeholders.	Agree	<b>Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree with the recommendation that contract documents, including statements of work, should be more readily accessible to District staff and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	Over the next several months, P&C will train contract managers and administrative assistants on the use of the new Cobblestone contract management software. All contract documents, including Contract Approval Forms, contracts, scopes of work and other exhibits are now saved with the contract record in the system. Contract records can be searched and viewed by District staff.	March 31, 2021		<b>On Target</b>
5	Provide an update to the Board to communicate the District's phased implementation of the mandatory training requirements for contractors and the delay in full implementation.	Partly Agree	<b>Legal - Mary Kane</b>	We agree with the recommendation to the extent it applies to those contractors that have direct and substantive interaction with students and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	General Counsel's office will prepare a memo outlining the plan.	October 20, 2020	Staff memo and proposed language clarification in Professional Conduct Policy provided to Board in advance of January 12, 2021 Board Meeting. Board approved language changes limiting contractor training requirement to those with direct, unsupervised contact with students on February 9, 2021.	<b>On Target</b>
6	Develop and implement internal controls to ensure all mandatory training courses are included in all contracts that require interactions with students.	Partly Agree	<b>Legal - Mary Kane and Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree with the recommendation to the extent it applies to those contractors that have extensive and substantive interaction with students. We will continue to work with a group of leaders already convened from multiple departments to develop appropriate systems and guidance. We will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>
					General Counsel's office has convened a group of leaders who are working on developing a mechanism for including training requirements in applicable personal services contracts. As soon as clear guidance is developed and incorporated in contracts, we will communicate the new expectations with contract managers.	July 1, 2021		<b>On Target</b>
					<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>	<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>	<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>	<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>
					General Counsel's office has convened a group of leaders who are working on developing a mechanism for including training requirements in applicable personal services contracts. As soon as clear guidance is developed, we will incorporate the requirements in contract templates and communicate the new expectations to contract managers.	July 1, 2021		<b>On Target</b>
6 a)	District Management develop detailed guidance and expectations related to the mandatory training requirement for contracts that require contractors and their staff to interact with PPS students.	Partly Agree	<b>Legal - Mary Kane</b>	We agree with the recommendation to the extent it applies to those contractors that have extensive and substantive interactions with students; however, we will not be able to develop the guidance and expectations related to mandatory training within the next 60 days.	General Counsel's office has convened a group of leaders who are working on developing a mechanism for including training requirements in applicable personal services contracts. As soon as clear guidance is developed and incorporated in contracts, we will communicate the new expectations with contract managers.	July 1, 2021		<b>On Target</b>

6 b)	The P&C department communicate the detailed guidance and expectations to Contract Managers throughout the District	Agree	<b>Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree with the recommendation and will consider including implementation actions in our implementation plan presented to the Audit Committee within 60 days. However, P&C cannot implement this recommendation until the internal controls and detailed guidance and expectations referenced in Recommendation 6 and 6(a) are developed.	See response to Recommendation 6, above. In addition, any new guidance regarding contractor training requirements will be included in the 2021-22 update of the mandatory contracting training course.	July 1, 2021		<b>On Target</b>
6 c)	Update the contracting training course to include guidance and expectations related to the inclusion of the mandatory training courses in applicable contracts; including if or when exceptions can be made and the process for obtaining an exception.	Agree	<b>Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree with the recommendation and will consider including implementation actions in our implementation plan presented to the Audit Committee within 60 days. However, P&C cannot implement this recommendation until the internal controls and detailed guidance and expectations referenced in Recommendation 6 and 6(a) are developed.	Any new guidance regarding contractor training requirements will be included in the 2021-22 update of the mandatory contracting training course.	July 1, 2021		<b>On Target</b>
6 d)	Establish a clear and mandatory channel of communication between the P&C department and Contract Managers (in addition to the annual contracting training course) to communicate and distribute guidance and expectation for Contract Managers on topics related to contracting	Disagree	<b>Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree that it is important to have clear channels of communication between the P&C Department and contract managers. However, multiple channels of communication are already in place and regularly utilized: (1) The mandatory annual contracting training course; (2) The frequently updated P&C website with announcements, Quick Guides, and new contract templates and forms with instructions; (3) Admin Connect, where we post announcements related to the contract course and other new contracting guidance generally applicable to contract managers; (4) Emails sent via the Communications Department email lists to all BESC staff, all school administrators, and all principals' secretaries; (5) Back to School and Finance trainings for principals' secretaries and admin assistants and New Leaders trainings for new school administrators; and (6) Emails sent to specific contract managers when a new initiative or requirement (such as the Board Cover Memo) is applicable only to a few contract managers. We regularly utilize all of these channels and do not believe any additional communication channel is required.	No action needed.	NA		<b>Completed</b>
7	7. Develop and implement internal controls to ensure the District obtains evidence that the contractors and their employees have completed the mandatory training course as required in the contract.	Agree	<b>Legal - Mary Kane and Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree that contract managers need clear guidance on when and how to ensure that contractors have completed any required training courses before beginning work. We will continue to work with a group of leaders already convened from multiple departments to develop appropriate systems and guidance. We will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	<b>Legal - Mary Kane:</b> General Counsel's office has convened a group of leaders who are working on developing a mechanism for including training requirements in applicable personal services contracts. This group is also exploring how best to ensure contractor compliance. As soon as clear guidance is developed and incorporated in contracts, we will communicate the new expectations with contract managers.	<b>Legal - Mary Kane:</b> July 1, 2021	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>  <b>On Target</b>
					<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>	<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>	<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>	<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>

					Any new guidance regarding contractor training requirements will be included in the 2021-22 update of the mandatory contracting training course. In addition, as soon as clear guidance is developed and incorporated in contract language, the P&C department will notify contract managers.	July 1, 2021		On Target
7 a)	Develop adequately detailed guidance and expectations and communicate that content with Contract Managers.	Agree	Legal - Mary Kane and Emily Courtnage, Director of Purchasing & Contracting	We agree that contract managers need clear guidance on when and how to ensure that contractors have completed any required training courses before beginning work. We will continue to work with a group of leaders already convened from multiple departments to develop appropriate systems and guidance. We will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	Legal - Mary Kane:	Legal - Mary Kane:	Legal - Mary Kane:	Legal - Mary Kane:
					The P&C department will include any new guidance regarding contractor training requirements in the 2021-22 update of the mandatory contracting training course. In addition, as soon as clear guidance is developed and incorporated in contract language, the P&C department will notify contract managers.	July 1, 2021		On Target
					Emily Courtnage, Director of Purchasing & Contracting:	Emily Courtnage, Director of Purchasing & Contracting:	Emily Courtnage, Director of Purchasing & Contracting:	Emily Courtnage, Director of Purchasing & Contracting:
					Any new guidance regarding contractor training requirements will be included in the 2021-22 update of the mandatory contracting training course. In addition, as soon as clear guidance is developed and incorporated in contract language, the P&C department will notify contract managers.	July 1, 2021		On Target
7 b)	Include the list of mandatory training courses in applicable RFPs (or ITB).	Agree	Emily Courtnage, Director of Purchasing & Contracting	We agree with the recommendation and will consider including implementation actions in our implementation plan presented to the Audit Committee within 60 days. However, P&C cannot implement this recommendation until the internal controls and detailed guidance and expectations referenced in Recommendation 6, 6(a), 7, and 7(a) are developed.	We will include the contractor training requirements in applicable RFPs or other formal solicitations as soon as guidance is finalized.	July 1, 2021		On Target
7 c)	Consult with the Office of Technology & Information Services (OTIS) to develop a streamlined process for the activation of the necessary PPS email addresses for the contractor and their staff to access the training courses in Pepper PD.	Agree	Legal - Mary Kane	We agree with the recommendation and a process has already been implemented through the adoption of Rapid Identity, a new identity automated management system.	As noted, the District has adopted a new identity automated management system. The program will be fully implemented once the contractor training protocol is finalized.	July 1, 2021		On Target
8	8. Develop and implement internal controls that will ensure: <ul style="list-style-type: none"> <li>Evidence of deliverables identified in the SOW are achieved/delivered, and</li> <li>Reports obtained by the District as evidence of deliverables include all required information, agree with District data, and all required reports are obtained (i.e. all four of the four reports are obtained).</li> </ul>	Agree	Instructional Leadership	We agree with the recommendation and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	Instructional Leadership: Before a contract goes to the Board, supervisors are requiring contract managers to share the summary of the SOW.	March 2021		On Target

9	We also recommend the District management develop and implement internal controls that will ensure contract management responsibilities are being performed.	Agree	<b>Instructional Leadership</b>	We agree with the recommendation and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	Instructional Leadership: Before a contract goes to the Board, supervisors are requiring contract managers to share the summary of the SOW.	March 2021		<b>On Target</b>
10	We recommend the District develop and implement internal controls that will ensure the District has received a signed ROI form prior to releasing any student information and continue to prioritize obtaining ROI forms, until a signed ROI form is obtained for each student.	Partly Agree	<b>Legal - Mary Kane and potentially others</b>	We believe the appropriate next action is that the Legal Department assess how and whether ROI forms need to be used in contracts and consult with appropriate departments on development of any necessary internal controls resulting from that assessment. See 11(a), below.	<b>General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).</b>	NA		<b>Completed</b>
11	We recommend the District perform and document an analysis of the District's obligation to secure student information from unauthorized re-disclosure under FERPA laws.	Agree	<b>Legal - Mary Kane</b>	We agree and believe we can implement this into our implementation plan presented to the audit committee within 60 days.	<b>General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).</b>	NA		<b>Completed</b>
11 a)	We recommend the District consider specifically addressing each of the examples identified in the finding in its analysis.	Agree	<b>Legal - Mary Kane</b>	We agree and believe we can implement this into our implementation plan presented to the audit committee within 60 days.	<b>General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).</b>	NA		<b>Completed</b>
12	We recommend the District develop a clear criteria for determining when a signed ROI form is required.	Agree	<b>Legal - Mary Kane</b>	We agree and believe we can implement this into our implementation plan presented to the audit committee within 60 days. See 10, above.	<b>General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).</b>	NA		<b>Completed</b>
13	Develop and implement internal controls that will ensure the consistent application of a signed ROI form in applicable contracts.	Agree	<b>Legal - Mary Kane and Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree that contract managers need clear guidance on when to include the requirement of signed ROIs in their contracts. We will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>
					<b>General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).</b>	NA		<b>Completed</b>
					<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>	<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>	<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>	<b>Emily Courtnage, Director of Purchasing &amp; Contracting:</b>
					<b>General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act). No action by the P&amp;C department is required.</b>	NA		<b>Completed</b>
13 a)	We recommend the District consider providing Contract Managers with training that will detail guidance and expectations to ensure they have an adequate understanding of the criteria for which a signed ROI form is required and the District's obligation to secure student information from unauthorized re-disclosure under FERPA laws.	Partly Agree	<b>Legal - Mary Kane</b>	We agree subject to the conclusions reached in the analysis required in 10 and 11(a), above; however, training may not be implemented within 60 days.	<b>General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).</b>	NA		<b>Completed</b>

14	We recommend the District review contract payment processes and procedures for process improvements and efficiencies to ensure payments to contractors are made timely as required in the contract. Additionally, we recommend the District document the date the invoice was received.	Agree	<b>Tracy Pinder, Director of Financial Services</b>	We agree with the recommendation and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	The Accounts Payable (AP) Team consistently reviews business processes for improvements and efficiencies. Additionally, AP is working with our Financial Systems Team on areas within our ERP to streamline invoice entry, looking to decrease Accounts Payable turn time. The Request for Payment on a Contract (RFP) form has been updated to include an "Invoice Receipt Date" to better track the flow from invoice receipt to invoice payment. (The mandatory contracts training course has also added language that contract managers should document the date of receipt on the invoice and RFP.) In addition to the mandatory contracts training course, the Finance Team utilizes other training opportunities for those who hold fiscal responsibility, including principal's secretaries, business analysts, bookkeepers, business managers and administrators. This training is meant to ensure understanding of budgeting, appropriate expense codes, purchasing & contracting and accounts payable.			On Target
15	We also recommend the District consider centralizing the receipt of contract invoices.	Partly Agree	<b>Tracy Pinder, Director of Financial Services</b>	We partly agree with the recommendation, as centralizing receipt of invoices is a suggested best practice. However, implementation would be a significant shift in current practice and would require additional central office FTE to manage all District invoices centrally.	Due to the number of schools, programs and departments within the District, it is difficult to centralize receipt of invoices. Currently, the Finance Team relies on education for those who hold fiscal responsibility. This training is meant to ensure understanding of the contract management cycle, from contract inception to invoice payment. In addition to the contract training course in Pepper, the Finance Team delivers training to principal's secretaries, bookkeepers and business managers annually in August. Also, beginning in fiscal 2019, as part of the New Administrators Mentor Program, the Finance Team presented similar training to school Administrators. Additionally, the Accounts Payable Team includes monthly Supplier Statement reconciliation as part of their business processes.			On Target
16	To ensure contract management responsibilities are being performed as expected, we recommend the District develop and communicate detailed guidance and expectation related to contract management responsibilities.	Partly Agree	<b>Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree with the recommendation that P&C should build on, and provide more detailed guidance in, our training materials and templates related to contract management responsibilities, and we will include implementation actions in our implementation plan presented to the Audit Committee within 60 days. However, while P&C can instruct contract managers on contract management responsibilities and best practices and provide tools to assist with contract management, it does not have capacity to supervise or oversee contract managers' management of their own contracts.	Our 2020-21 contract training course includes additional guidance on contract management responsibilities, how to draft a scope of work, use of the specialized scope of work template, contract deliverables, and contract review and evaluation.	Completed as of July 1, 2020		Completed

16 a)	a) Identify personal services contracts for student services as complex contracts and increase requirements for those contracts to include: o Develop an additional contract management training course that Contract Managers of complex contracts are required to complete prior to initiating the contract. o Require complex contracts include a contract administration plan (similar to that used by the State of Oregon) that is review and approved by the Contract Manager's supervisor and submitted to P&C for recordkeeping.	Partly Agree	Emily Courtnage, Director of Purchasing & Contracting	We partly agree with the recommendation and will consider including implementation actions in our implementation plan presented to the Audit Committee within 60 days. However, we do not believe it will be effective to add to the already significant time burden of mandatory online trainings for staff. We will consider different methods of providing additional specialized instruction or advice to the relatively few contract managers who manage complex instructional contracts.	Our 2020-21 contract training course includes new guidance stating that the specialized scope of work template is mandatory for contracts for student, instructional, or family engagement services originating out of Central Office and involving direct, ongoing, intensive instructional and support services to student and families. P&C Management also communicated the new requirement directly to relevant contract managers by email. We believe that the mandatory, detailed scope of work template, and the additional content in the training course, together are sufficient to address the added complexity of these specialized contracts.	Completed as of July 1, 2020		Completed
17	Develop and communicate oversight of contract management responsibilities, including how performance of contract management responsibilities will be evaluated. To achieve this, we recommend the District consider updating position descriptions to include contract management responsibilities and include an evaluation of the performance of these responsibilities in the staff member's annual performance evaluation.	Partly Disagree	Instructional Leadership & RESJ leadership	In most cases, the responsibility of contract management is not specific to a job. For example, we may have an Academic Program Manager who has responsibility for a contract but the majority of individuals who are Academic Program Managers do not have this responsibility. We do not have the ability to track every single assigned duty in a job description.  Instructional Leadership partly agrees with the recommendation to include contract management in performance evaluation. Depending on the contract manager and the situation, contract management will only be included in performance evaluation where appropriate.	<b>Instructional Leadership:</b> Instructional Leadership: On an as needed basis performance evaluation will include an employee contract management performance.  <b>RESJ leadership:</b> 1. Develop job description for RESJ partnerships programs manager, and RESJ Project Manager to include contract management and oversight responsibilities. 2. Hire staff. 3. RESJ and SPP will develop an evaluation process for RESJ Contracts. SPP Staff assigned to conduct the evaluation annually..	<b>Instructional Leadership:</b> Instructional Leadership: March 2021  <b>RESJ leadership:</b> 1. Complete 2. Complete by December 2020 3. see above	<b>Instructional Leadership:</b>  <b>RESJ leadership:</b> 2. Hired RESJ Project Manager, conducting interviews for RESJ Partnership Program Manager in January 2021. 3. SPP and RESJ Advisory are working with RESJ partners to develop comprehensive evaluation process to begin in 2021/22 SY.	Instructional Leadership:  On Target  RESJ leadership:  On Target
18	Prior to assigning a Contract Manager, supervisors of the proposed Contract Manager should evaluate the positions' other roles and responsibilities to ensure those assigned contract management responsibilities have adequate time to perform the contract management responsibilities while also performing the roles and responsibilities in their position descriptions	Partly Disagree	Instructional Leadership & RESJ leadership	Instructional Leadership partly agrees with this recommendation. Supervisors will review workload with managers in general, but it is incumbent upon the manager to ensure that they have completed all duties of contract management and to surface any challenges with their supervisor.	<b>Instructional Leadership:</b> Instructional Leadership: As needed Supervisors will ensure contract managers are able to fulfill their contract manager duties.  <b>RESJ leadership:</b> 1. Develop job description for RESJ partnerships programs manager, and RESJ Project Manager to include contract management and oversight responsibilities	<b>Instructional Leadership:</b> Instructional Leadership: March 2021  <b>RESJ leadership:</b> 1. Complete	<b>Instructional Leadership:</b>  <b>RESJ leadership:</b>	Instructional Leadership:  Completed  RESJ leadership:  Completed
	We recommend the District take additional steps to implement a comprehensive and systematic approach to improve performance management of personal service			Instructional Leadership and RESJ leadership agree to partner on the updated processes for personnel service contracts. RESJ leadership has collaborated with Instructional Leadership in the development of the RESJ Partnerships	<b>Instructional Leadership:</b> Instructional Leadership: We will continue to partner with RESJ leadership in the development of the RESJ Partnerships and Investment Strategy as well as the RFP process  <b>RESJ leadership:</b>	<b>Instructional Leadership:</b> Instructional Leadership: March 2021  <b>RESJ leadership:</b>	<b>Instructional Leadership:</b>  <b>RESJ leadership:</b>	Instructional Leadership:  On Target  RESJ leadership:

19	management of personal service contracts. To achieve this we recommend the District consider scaling the District's comprehensive and systematic approach to improve performance management of personal service contracts identified by the District as RESJ partnership contracts to include all of the District's personal service contracts with educational partners.	Partly Agree	<b>Instructional Leadership &amp; RESJ leadership</b>	development of the RESJ Partnerships Investment Strategy as well as the RFP process. Instructional Leadership staff and members participated in the RFP scoring process and has committed to working in collaboration with RESJ to support ongoing relationship development with contractors at school sites. This includes participation in quarterly data review meetings and convenings aimed at increasing collective impact. We will have an implementation plan within 60 days.	1. RFP process occurred in Summer 2020. 2. All contractors will meet with OSP, OSS and principals to start the contract year and review contract deliverables. 3. Quarterly meetings to be scheduled.	1. Complete. 2. In process, fully completed by November 2020. 3. Completed by November 2020.	1. Completed. 2. Completed - all contractors met with school site principals, Chief of Schools and Chief of Systems Performance to discuss contract scope of work, deliverables and reporting. 3. First quarterly meeting was held November 16th. In addition to the Superintendent and Superintendent's leadership team, OSP and principals attended the meeting along with partner staff. The second will be held on February 17th and the third is scheduled for May 13th.	<b>On Target</b>
20	To address the SoS audit's call for increased transparency and oversight for the District's contracts we recommend the District consider publicly posting the review and evaluation of contracts (via the Board Cover Memo) and the SOW for contracts listed on the Board agenda for Board approval. This could increase transparency in contracting decisions while still safeguarding the majority of the content related to contractor payments.	Partly Agree	<b>Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree with the recommendation as it applies to large instructional, family engagement, and student services contracts and, after consultation with the Board Office, will consider including implementation actions in our implementation plan presented to the Audit Committee within 60 days.	In conjunction with the Board Office and the Deputy Superintendent of Business and Operations, we have developed a plan to publicly post, with each contracts agenda, the specialized scope of work for each student, instructional, or family engagement services contract on that agenda. In addition, because most of the Board Cover Memo content repeats the same content in the specialized scope of work document, we will no longer require completion of the Board Cover Memo for these contracts. These changes will better meet the goals of public transparency and providing the Board the information they need while reducing duplicative paperwork and burden on contract managers.	Completed as of October 1, 2020		<b>Completed</b>

**Contracts Audit  
Implementation Plan**

Signature Approvals	Date Approved
<p><b>Emily Courtnage, Director of Purchasing &amp; Contracting</b>  <b>Tracy Pinder, Director of Financial Services</b>  <b>Legal - Mary Kane</b>  <b>Dani Ledezma, Senior Advisor, Racial Equity &amp; Social Justice</b>                      Instructional Tab                      Claire Hertz, Deputy Superintendent of Business and Operations                      Superintendent (or designee)</p>	

**Due October 1, 2020**

2020 Contracts Audit Recommendations				Implementation Plan		Status Updates		
#	Abbreviated Recommendation	Response	Responsible Administrator / Manager	Comment	Implementation Plan (Specific steps to be implemented)	Anticipated date implementation will be complete (generally expected within 6 months)	Comments	Status update as of Dec 2020
3	Develop and implement internal controls that will ensure a thorough and robust review and evaluation of the contracts performance is completed and documented prior to deciding whether or not a similar contract should be negotiated in the future	Agree	Instructional Leadership, RESJ leadership	<p>Instructional Leadership agrees with the recommendation and will include action steps within our implementation plan presented to the Audit Committee within 60 days.</p> <p>As noted in the Audit, the personal services contracts that include RESJ Partnerships are currently part of a robust review and reimagining. All contracts are currently subject to a competitive process where proposers are asked to submit documentation of both proposed and prior contract performance to complete a scope of work. The request for proposals includes required narrative and a logic model that describes the contract outputs (service delivered) and intended student outcomes that will form the basis of the contract reporting and district evaluation for awarded proposers. This competitive process will provide the basis for contract awards for up to three years upon successful completion of required contract deliverables each school year. The basis for contract negotiation is outlined in both the PPS RESJ Partnerships Investment Strategy and the 2019-2700 RESJ Partnerships solicitation.</p>	<p>Instructional Leadership: Contract managers who manage significant instructional or student services contracts will provide a summary of performance metrics met or unmet and provide recommendations in regards to future contracting. This information will go to supervisors and be uploaded into Cobblestone contract management software.</p>	March, 2021	<p><b>Instructional Leadership:</b>                      CBO Additions: All CBO Schools are awarded contracts through a competitive RFP process which occurs every 5 years. Contracts are renewed and amended annually and include a range of different accountability measures as part of a robust Alternative Accountability Framework, which encompasses ongoing data review as well as submission of annual reports and deliverables. All contracts include relevant and district/state aligned performance objectives. Contracts are aligned with ORS 336.631 which include rules for Private Alternative Education.</p>	On Target
					<p><b>RESJ leadership:</b>                      1. RFP process for RESJ Contracts occurred in summer 2020. 2. RESJ and SPP will develop an evaluation process for RESJ Contracts. SPP Staff assigned to conduct the performance management and evaluation process. This will be an annual process.</p>	<p><b>RESJ leadership:</b>                      1. Complete                      2. Evaluation and Monitoring processes are ongoing. SPP staff assignment is complete. Evaluation development is in progress.</p>	<p><b>RESJ leadership:</b></p>	Completed

3 c)	Require the review and evaluation be reviewed and approved by the Contract Manager's supervisor and submitted to the P&C Department for record keeping.	Partly Agree	<p style="text-align: center;"><b>RESJ Leadership &amp; Instructional Leadership &amp; Emily Courtneage, Director of Purchasing &amp; Contracting</b></p>	<p>Purchasing &amp; Contracting agrees with the recommendation that contract reviews and evaluations should be saved with other contract documents in a central and accessible location, and we will include implementation actions in our implementation plan presented to the Audit Committee within 60 days. However, while P&amp;C can provide instruction to contract managers and a central and accessible repository for all contract related documents, P&amp;C does not have contracting staff capacity to manage the collection, submission, and supervisor approval of contract performance reviews for all instructional contracts nor the subject matter expertise to judge the content or accuracy of such reviews.</p> <p>Instructional Leadership agrees that there will be a review and evaluation of the contract by the contract manager and that they will inform their supervisor when they have completed that process and uploaded the information. We disagree that the supervisor of the contract manager will also review and evaluate the contract as this is redundant work and that the contract manager is capable of doing this.</p> <p>RESJ leadership agrees with the recommendation to document contract compliance activities, however given the capacity of the respective departments has reservations about creating processes to add another layer of compliance. We do however commit to continuing to work in collaboration across departments to ensure effective contracting.</p>	<p><b>RESJ Leadership:</b></p> <p>Instructional Leadership:</p> <p>Instructional Leadership: Contract Managers will upload review and evaluation documentation into Cobblestone contract management software for record keeping once the processes are completed and they will inform the supervisor upon completion.</p>	<p><b>RESJ Leadership:</b></p> <p>Instructional Leadership:</p> <p>March 2021</p>	<p><b>RESJ Leadership:</b></p> <p>Instructional Leadership:</p>	<p><b>RESJ leadership:</b></p> <p><b>On Target</b></p> <p>Instructional Leadership:</p> <p><b>On Target</b></p>
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7	7. Develop and implement internal controls to ensure the District obtains evidence that the contractors and their employees have completed the mandatory training course as required in the contract.	Agree	<b>Legal - Mary Kane and Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree that contract managers need clear guidance on when and how to ensure that contractors have completed any required training courses before beginning work. We will continue to work with a group of leaders already convened from multiple departments to develop appropriate systems and guidance. We will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	<b>Legal - Mary Kane:</b> General Counsel's office has convened a group of leaders who are working on developing a mechanism for including training requirements in applicable personal services contracts. This group is also exploring how best to ensure contractor compliance. As soon as clear guidance is developed and incorporated in contracts, we will communicate the new expectations with contract managers.	<b>Legal - Mary Kane:</b> July 1, 2021	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>	<b>On Target</b>
7 a)	Develop adequately detailed guidance and expectations and communicate that content with Contract Managers.	Agree	<b>Legal - Mary Kane and Emily Courtnage, Director of Purchasing &amp; Contracting</b>	We agree that contract managers need clear guidance on when and how to ensure that contractors have completed any required training courses before beginning work. We will continue to work with a group of leaders already convened from multiple departments to develop appropriate systems and guidance. We will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	<b>Legal - Mary Kane:</b> The P&C department will include any new guidance regarding contractor training requirements in the 2021-22 update of the mandatory contracting training course. In addition, as soon as clear guidance is developed and incorporated in contract language, the P&C department will notify contract managers.	<b>Legal - Mary Kane:</b> July 1, 2021	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>	<b>On Target</b>	
7 c)	Consult with the Office of Technology & Information Services (OTIS) to develop a streamlined process for the activation of the necessary PPS email addresses for the contractor and their staff to access the training courses in Pepper PD.	Agree	<b>Legal - Mary Kane</b>	We agree with the recommendation and a process has already been implemented through the adoption of Rapid Identity, a new identity automated management system.	As noted, the District has adopted a new identity automated management system. The program will be fully implemented once the contractor training protocol is finalized.	<b>Legal - Mary Kane:</b> July 1, 2021	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>	<b>On Target</b>	
8	8. Develop and implement internal controls that will ensure: • Evidence of deliverables identified in the SOW are achieved/delivered, and • Reports obtained by the District as evidence of deliverables include all required information, agree with District data, and all required reports are obtained (i.e. all four of the four reports are obtained).	Agree	<b>Instructional Leadership</b>	We agree with the recommendation and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	Instructional Leadership: Before a contract goes to the Board, supervisors are requiring contract managers to share the summary of the SOW.	<b>Legal - Mary Kane:</b> March 2021	<b>Legal - Mary Kane:</b>	<b>Legal - Mary Kane:</b>	<b>On Target</b>	

9	We also recommend the District management develop and implement internal controls that will ensure contract management responsibilities are being performed.	Agree	Instructional Leadership	We agree with the recommendation and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	Instructional Leadership: Before a contract goes to the Board, supervisors are requiring contract managers to share the summary of the SOW.	March 2021	On Target
10	We recommend the District develop and implement internal controls that will ensure the District has received a signed ROI form prior to releasing any student information and continue to prioritize obtaining ROI forms, until a signed ROI form is obtained for each student.	Partly Agree	Legal - Mary Kane and potentially others	We believe the appropriate next action is that the Legal Department assess how and whether ROI forms need to be used in contracts and consult with appropriate departments on development of any necessary internal controls resulting from that assessment. See 11(a), below.	General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).	NA	Completed
11	We recommend the District perform and document an analysis of the District's obligation to secure student information from unauthorized re-disclosure under FERPA laws.	Agree	Legal - Mary Kane	We agree and believe we can implement this into our implementation plan presented to the audit committee within 60 days.	General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).	NA	Completed
11 a)	We recommend the District consider specifically addressing each of the examples identified in the finding in its analysis.	Agree	Legal - Mary Kane	We agree and believe we can implement this into our implementation plan presented to the audit committee within 60 days.	General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).	NA	Completed
12	We recommend the District develop a clear criteria for determining when a signed ROI form is required.	Agree	Legal - Mary Kane	We agree and believe we can implement this into our implementation plan presented to the audit committee within 60 days. See 10, above.	General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).	NA	Completed
13	Develop and implement internal controls that will ensure the consistent application of a signed ROI form in applicable contracts.	Agree	Legal - Mary Kane and Emily Courtneage, Director of Purchasing & Contracting	We agree that contract managers need clear guidance on when to include the requirement of signed ROIs in their contracts. We will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.	Legal - Mary Kane:	Legal - Mary Kane:	Legal - Mary Kane:
				Agree	General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).	NA	Completed
13 a)	We recommend the District consider providing Contract Managers with training that will detail guidance and expectations to ensure they have an adequate understanding of the criteria for which a signed ROI form is required and the District's obligation to secure student information from unauthorized re-disclosure under FERPA laws.	Partly Agree	Legal - Mary Kane	We agree subject to the conclusions reached in the analysis required in 10 and 11(a), above; however, training may not be implemented within 60 days.	General Counsel's office has determined that Release of Information forms are not required because the contractors' responsibilities are covered as "school officials" for purposes of FERPA (Family Educational Rights and Privacy Act).	NA	Completed

14	<p>We recommend the District review contract payment processes and procedures for process improvements and efficiencies to ensure payments to contractors are made timely as required in the contract. Additionally, we recommend the District document the date the invoice was received.</p>	<p>Agree</p>	<p><b>Tracy Pinder, Director of Financial Services</b></p>	<p>We agree with the recommendation and will include implementation actions in our implementation plan presented to the Audit Committee within 60 days.</p>	<p>The Accounts Payable (AP) Team consistently reviews business processes for improvements and efficiencies. Additionally, AP is working with our Financial Systems Team on areas within our ERP to streamline invoice entry, looking to decrease Accounts Payable turn time. The Request for Payment on a Contract (RFP) form has been updated to include an "Invoice Receipt Date" to better track the flow from invoice receipt to invoice payment. (The mandatory contracts training course has also added language that contract managers should document the date of receipt on the invoice and RFP.) In addition to the mandatory contracts training course, the Finance Team utilizes other training opportunities for those who hold fiscal responsibility, including principal's secretaries, business analysts, bookkeepers, business managers and administrators. This training is meant to ensure understanding of budgeting, appropriate expense codes, purchasing &amp; contracting and accounts payable.</p>			<p><b>On Target</b></p>
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15	We also recommend the District consider centralizing the receipt of contract invoices.	Partly Agree	<p><b>Tracy Pinder, Director of Financial Services</b></p>	<p>We partly agree with the recommendation, as centralizing receipt of invoices is a suggested best practice. However, implementation would be a significant shift in current practice and would require additional central office FTE to manage all District invoices centrally.</p>	<p>Due to the number of schools, programs and departments within the District, it is difficult to centralize receipt of invoices.</p> <p>Currently, the Finance Team relies on education for those who hold fiscal responsibility. This training is meant to ensure understanding of the contract management cycle, from contract inception to invoice payment. In addition to the contract training course in Pepper, the Finance Team delivers training to principals secretaries, bookkeepers and business managers annually in August. Also, beginning in fiscal 2019, as part of the New Administrators Mentor Program, the Finance Team presented similar training to school Administrators.</p> <p>Additionally, the Accounts Payable Team includes monthly Supplier Statement reconciliation as part of their business processes.</p>	<p><b>On Target</b></p>
17	Develop and communicate oversight of contract management responsibilities, including how performance of contract management responsibilities will be evaluated. To achieve this, we recommend the District consider updating position descriptions to include contract management responsibilities and include an evaluation of the performance of these responsibilities in the staff member's annual performance evaluation.	Partly Disagree	<p><b>Instructional Leadership &amp; RESJ leadership</b></p>	<p>In most cases, the responsibility of contract management is not specific to a job. For example, we may have an Academic Program Manager who has responsibility for a contract but the majority of individuals who are Academic Program Managers do not have this responsibility. We do not have the ability to track every single assigned duty in a job description.</p> <p>Instructional Leadership partly agrees with the recommendation to include contract management in performance evaluation. Depending on the contract manager and the situation, contract management will only be included in performance evaluation where appropriate.</p>	<p><b>Instructional Leadership:</b></p> <p>Instructional Leadership: On an as needed basis performance evaluation will include an employee contract management performance.</p> <p><b>RESJ leadership:</b></p> <p>1. Develop job description for RESJ partnerships programs manager, and RESJ Project Manager to include contract management and oversight responsibilities. 2. Hire staff. 3. RESJ and SPP will develop an evaluation process for RESJ Contracts. SPP Staff assigned to conduct the evaluation annually..</p>	<p><b>Instructional Leadership:</b></p> <p>March 2021</p> <p><b>RESJ leadership:</b></p> <p>1. Complete 2. Complete by December 2020 3. see above</p> <p><b>RESJ leadership:</b></p> <p>2. Hired RESJ Project Manager, conducting interviews for RESJ Partnership Program Manager in January 2021. 3. SPP and RESJ Advisory are working with RESJ partners to develop comprehensive evaluation process to begin in 2021/22 SY.</p> <p><b>On Target</b></p>

18	Prior to assigning a Contract Manager, supervisors of the proposed Contract Manager should evaluate the positions' other roles and responsibilities to ensure those assigned contract management responsibilities have adequate time to perform the contract management responsibilities while also performing the roles and responsibilities in their position descriptions	Partly Disagree	Instructional Leadership & RESJ leadership	Instructional Leadership partly agrees with this recommendation. Supervisors will review workload with managers in general, but it is incumbent upon the manager to ensure that they have completed all duties of contract management and to surface any challenges with their supervisor.	Instructional Leadership: As needed Supervisors will ensure contract managers are able to fulfill their contract manager duties.  <b>RESJ leadership:</b>  1. Develop job description for RESJ partnerships programs manager, and RESJ Project Manager to include contract management and oversight responsibilities	Instructional Leadership: March 2021  <b>RESJ leadership:</b>  1. Complete	Instructional Leadership:  <b>RESJ leadership:</b>	Instructional Leadership:  <b>Completed</b>  <b>RESJ leadership:</b>
19	We recommend the District take additional steps to implement a comprehensive and systematic approach to improve performance management of personal service contracts. To achieve this we recommend the District consider scaling the District's comprehensive and systematic approach to improve performance management of personal service contracts identified by the District as RESJ partnership contracts to include all of the District's personal service contracts with educational partners.	Partly Agree	Instructional Leadership & RESJ leadership	Instructional Leadership and RESJ leadership agree to partner on the updated processes for personal service contracts. RESJ leadership has collaborated with Instructional Leadership in the development of the RESJ Partnerships Investment Strategy as well as the RFP process. Instructional Leadership staff and members participated in the RFP scoring process and has committed to working in collaboration with RESJ to support ongoing relationship development with contractors at school sites. This includes participation in quarterly data review meetings and convenings aimed at increasing collective impact. We will have an implementation plan within 60 days.	Instructional Leadership: We will continue to partner with RESJ leadership in the development of the RESJ Partnerships and Investment Strategy as well as the RFP process  <b>RESJ leadership:</b>  1. RFP process occurred in Summer 2020. 2. All contractors will meet with OSP, OSS and principals to start the contract year and review contract deliverables. 3. Quarterly meetings to be scheduled.	Instructional Leadership: March 2021  <b>RESJ leadership:</b>  1. Complete. 2. In process, fully completed by November 2020. 3. Completed by November 2020.	Instructional Leadership:  <b>RESJ leadership:</b> 1. Completed. 2. Completed - all contractors met with school site principals, Chief of Schools and Chief of Systems Performance to discuss contract scope of work, deliverables and reporting. 3. First quarterly meeting was held November 16th. In addition to the Superintendent and Superintendent's leadership team, OSP and principals attended the meeting along with partner staff. The second will be held on February 17th and the third is scheduled for May 13th.	Instructional Leadership:  <b>On Target</b>  <b>RESJ leadership:</b>  <b>On Target</b>