



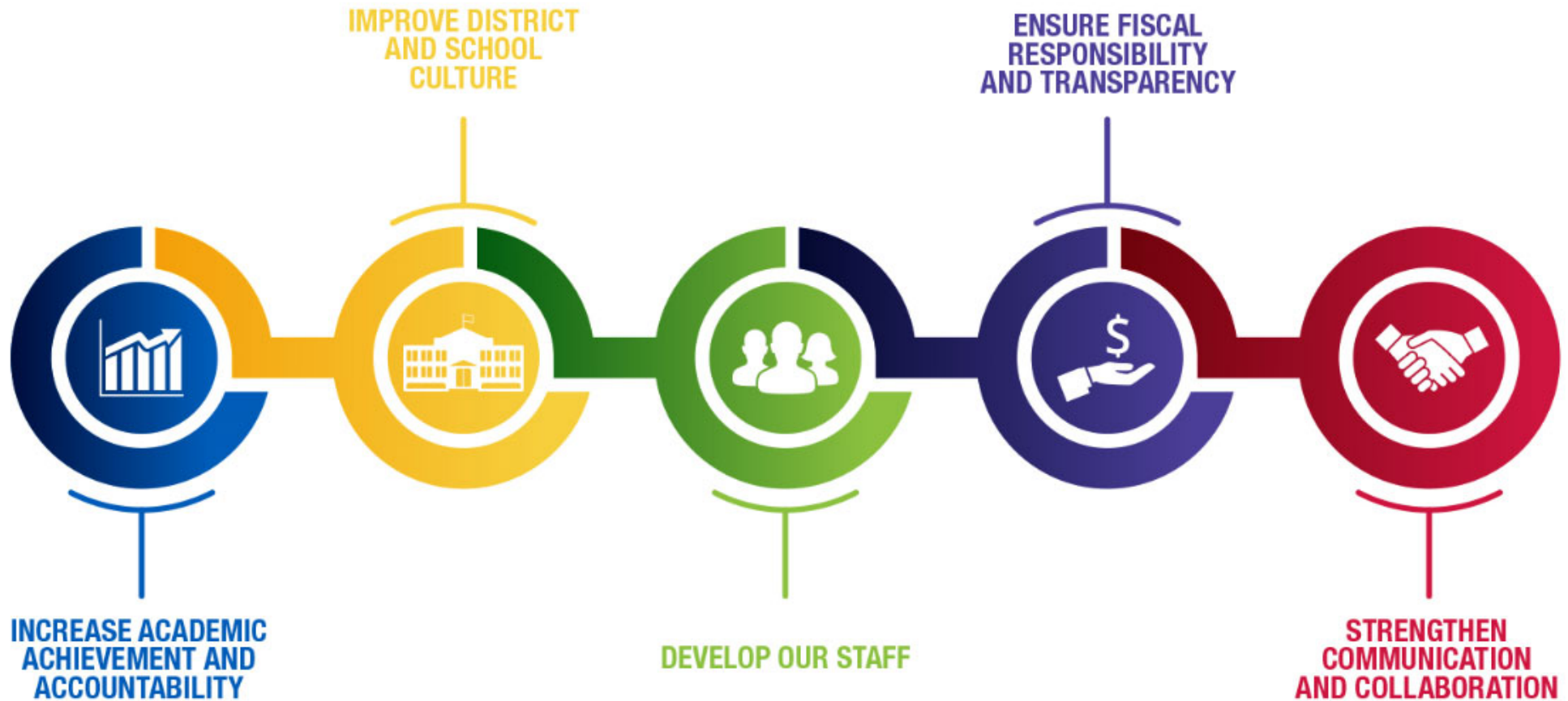
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Fiscal Year 2021–22 Audit Findings Update

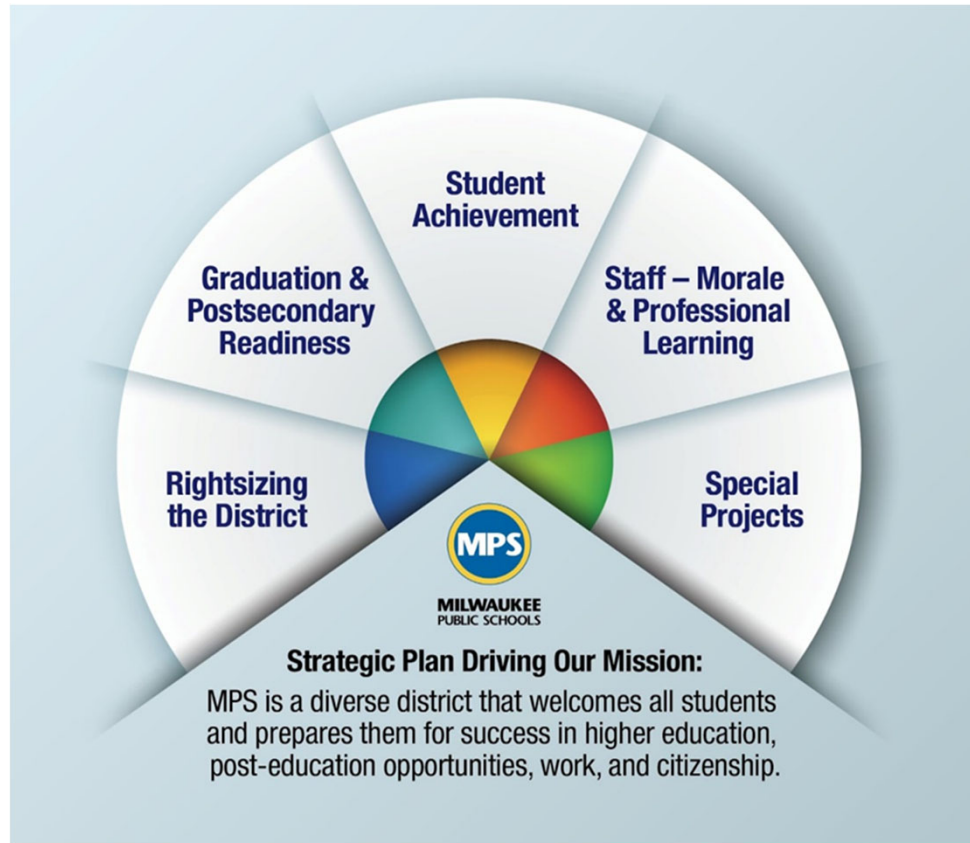
December 19, 2023

Dr. Keith P. Posley
Superintendent

Five Priorities for Success



MPS Strategic Plan



The Team and the Priorities

ONE TEAM TO SOLVE CHALLENGES

The Comptroller, Financial Reporting Manager, and Grant Accounting Coordinator positions all saw personnel changes in Fiscal 2023. MPS is in the process of re-staffing the impacted departments, but in the interim, outside accounting support services through Robert Half were utilized to assist in the preparation of the year-end financial statements as well as the schedule of expenditures of federal and state awards. MPS also engaged Protiviti to support overall process improvement and the remediation of material weaknesses.

Team Augmentation	MPS Office of Finance	Subject Matter Consulting
<p>Several roles augmented across the Finance Department to bring enhanced focus to:</p> <ul style="list-style-type: none"> • Programs • Accounting leadership • Budget development • Financial reporting 	<p>Responsible for:</p> <ul style="list-style-type: none"> ✓ Safeguarding the District’s assets; ✓ ensuring a system of adequate internal controls; ✓ ensuring compliance with various legal and statutory requirements; and ✓ providing reliable financial & budgetary information 	<p>2 overall project leaders → 4 core team members → bringing expertise related to:</p>
<p>Converted 6 individuals to permanent roles</p>	<p>Oversight of the following areas:</p> <ul style="list-style-type: none"> • Accounting • Finance • State & Federal Programs • Budget Services • Payroll • Procurement 	<ul style="list-style-type: none">  Material Weakness Remediation  Grant Accounting & Reporting  Project Management  Process Documentation / Enhancement  Public Sector Industry Best Practices



Fiscal Year 2021 - 2022 Findings

Prior Year Finding	Corrective Action	
Employee Receivables	Standard Operating Procedures: <ul style="list-style-type: none"> • Program admission/withdrawal • Billing • Monitoring amounts owed 	<ul style="list-style-type: none"> • Sponsorship agreement compliance • Collection of amounts owed
Financial Close & Reporting	<ul style="list-style-type: none"> • Adequate staffing • Reorganization • Financial reporting checklist 	<ul style="list-style-type: none"> • Standard operating procedures • Review process
Contract Invoicing	<ul style="list-style-type: none"> • Professional development • Review by contract sponsor 	<ul style="list-style-type: none"> • Sampling • Accounts payable invoice system
No Valid License	<ul style="list-style-type: none"> • Added a license compliance assistant in the fall budget • Worked closely with DPI to ensure a thorough process • Reorganization 	<ul style="list-style-type: none"> • Set up Fund 27 to properly budget and account for special education costs throughout the year
Medicaid	<ul style="list-style-type: none"> • Professional development • Medicaid vendors reviewed standard operating procedures 	<ul style="list-style-type: none"> • Cross-training of staff • Quarterly check-ins
Transportation	<ul style="list-style-type: none"> • Created, tested and used a technology solution 	

Activities Planned and Completed

	Phase I – Benefits Achieved to Date	Phase II – Opportunities for Continued Improvement
PEOPLE	<ul style="list-style-type: none"> • Filled critical roles with quality resources to manage day-to-day accounting and finance operations • Implemented interdepartmental collaboration strategies through daily touchpoints to improve alignment across teams. • Brought operational discipline to ensure timely delivery of audit requests • Created strategy to examine workload allocation across departments 	<ul style="list-style-type: none"> • Compile and analyze survey responses to recommend “right size and right skill” considerations • Evaluate training and on-going “refresh” training opportunities for current team members to maximize productivity and quality
PROCESS	<ul style="list-style-type: none"> • Created and maintained Project Plan to maximize productivity and ensure timely audit deliverables • Built standards for processes • Documented observations and improvement opportunities • Updated the Standard Operating Procedure (SOP) for Construction in Progress Accounting • Completed and enhanced the Grant Reporting process • Identified and documented all Grants data sources • Validated remediation and drafted all six responses to the Summary Schedule of Prior Audit Findings (SSPAF) 	<ul style="list-style-type: none"> • Continue to implement process improvements and detective controls related to material weaknesses (known deliverables in process) • Continue drafting updated process flows and SOPs – hold meetings to discuss and walk through current roles and responsibilities • Identify additional process automation opportunities
TECHNOLOGY	<ul style="list-style-type: none"> • Discovery completed related to new Accounts Payable system • Creation of business incident report tracking (BIRT) reports • Supported elements of system implementation including cross functional collaboration and project management 	<ul style="list-style-type: none"> • Implement automated dashboarding capabilities to track key performance indicators (KPIs) for Finance, Accounting, and Technology teams • Implement project management tools across organization • Evaluate system enhancements or replacements

Summary

TOP THREE PRIORITY PROCESS IMPROVEMENTS

1

Centralize and clean-up the **Inventory of Standard Operating Procedures (SOPs)**, update procedures as needed, and establish a periodic review process moving forward. Clearly define **Roles & Responsibilities** for all staff within the SOPs; assess and re-allocate workloads as deemed prudent. Reinforce procedures through regular mandatory trainings or acknowledgements.

2

Develop a common **Calendar** and establish regular cadences for touchpoints and reporting to support strategic planning. Prioritize and allocate tasks throughout the year to ensure sufficient time and resources for completion.

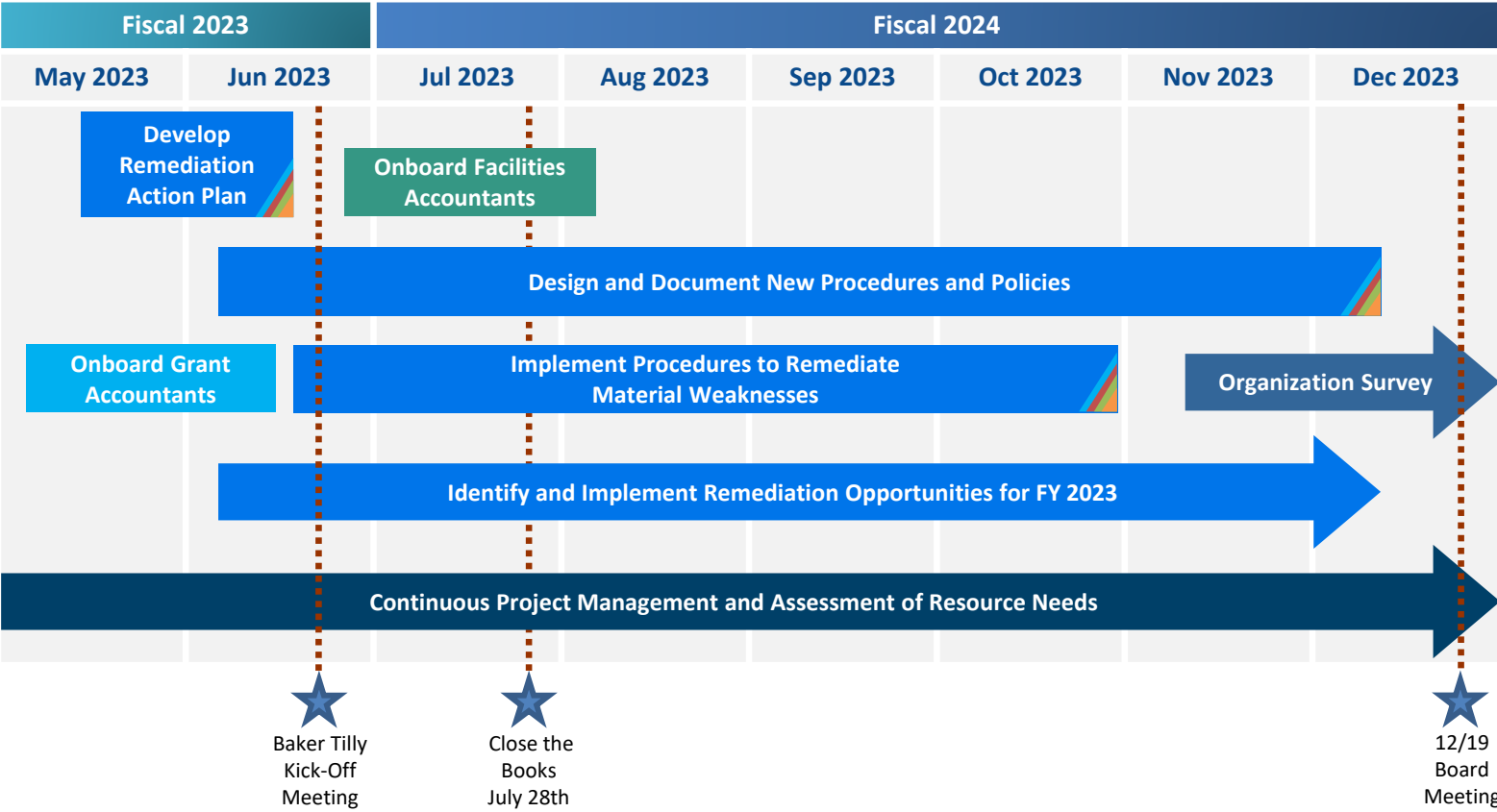
3

Assess **BusinessPlus Capabilities** regarding subledger integration, automated controls, dashboards and reporting, and approval workflows. Automate manual tasks, where possible, to increase accuracy and efficiency.

Phase I Roadmap December 2023

Focus Areas

- Financial Reporting
- Grant Accounting
- Contract Invoicing
- MPSU Operations
- Construction in Progress
- Project Management



★ Milestone



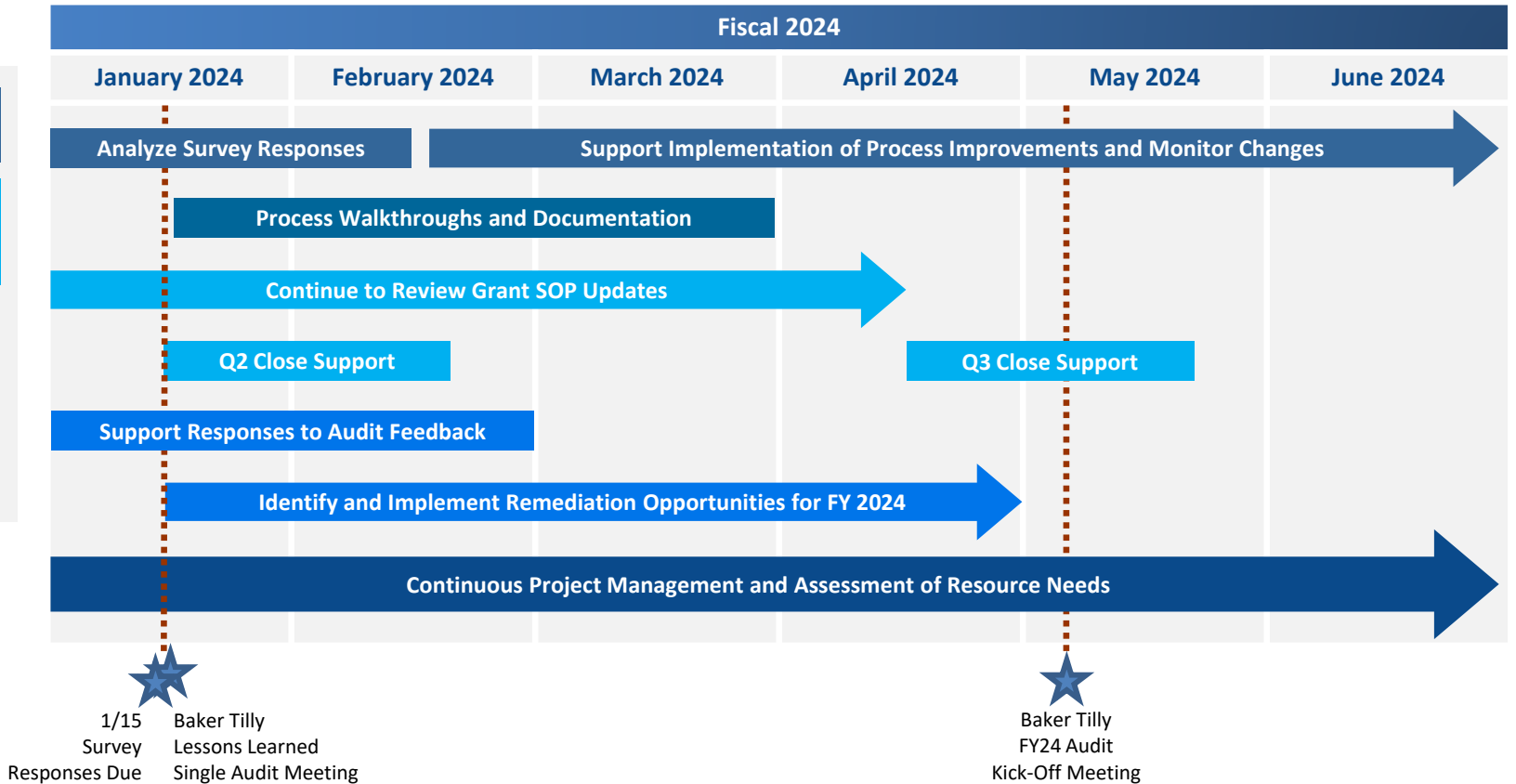
DRAFT Phase II Roadmap for 2024

Focus Areas

- Organization Transformation
- Support Grant Accounting *(as needed)*
- Support Audit & Remediation Efforts
- Project Management



Milestone





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**Thank
You!**