



REPORT TO THE MILWAUKEE BOARD OF SCHOOL DIRECTORS: DECEMBER 2024

The Office of Accountability and Efficiency (OAE) was established to enhance transparency, oversight, and accountability to the District's financial operations; to evaluate fiscal performance; and to recommend solutions in furtherance of fiscal stewardship of Milwaukee Public Schools.

Accountability and Efficiency Services

Between November 10, 2024, and December 7, 2024, Accountability and Efficiency Services completed one special project, six constituent inquiries, and satisfied one impartial hearing officer (IHO) request.

During the reporting period, the OAE has focused most of its effort and attention to the Corrective Action Plan (CAP) under DPI. The CAP was approved by the Board on June 13, 2024 and the OAE is managing the project in conjunction with the Administration as set forth in the plan.

Accountability and Efficiency Services also continued to support the District's implementation of Administrative Policies 3.09 and 6.35.

Contract Compliance Services (CCS)

This month, the CCS team prioritized enhancing Student Engagement Programming. Three student interns were interviewed and hired across fields like administration and counseling, with roles created in collaboration with Bradley Tech, Hamilton, North Division and South Division high schools. Each position offers work-based learning opportunities.

We continue to build partnerships within the District and with external sponsors to advance these initiatives. CCS remains dedicated to supporting the District's implementation of Administrative Policies 3.10 and 3.13, reinforcing our commitment to compliance and student engagement.

Audit Services

The Audit Services area under the OAE provides independent assurance that the District's risk management, governance, and internal control processes are operating effectively.

Updates in the Audit Services area for the current reporting period of November 14, 2024, through December 9, 2024, include:

Audit Completions and Activities

- Corrective Action Plan updates: Updated Board Rule and Audit Committee Charter and sent to City Attorney for their review and await their response.
- Issued three school audits
- Currently have four new principal school audits underway
- Issued two special investigative reports
- Reviewed two charter school external auditor's reports
- Conducted Entrance Conference with FMS for Fleet Services Audit

- Developed Retiree Health and Life Insurance audit presentation to be presented at December AFP meeting
- Conducting several ongoing investigations resulting from Fraud Hotline Tips
- Recorded the 31st fraud hotline tip this fiscal year, which is on pace to set a record for fraud hotline complaints received
- Provided analysis and feedback to the Procurement Department on certain contract services matters
- Updating Board and AFP Committee on the Investigation Process via presentation at a subsequent AFP and Board meeting.

AUDITING VERSUS INVESTIGATING

- It is important for Board members to understand that auditing and investigating are two separate functions that have in common, independence.
- Audits are not investigations and investigations are not audits however. Auditing is generally looking at systems to ascertain compliance with operational standards. Investigating is generally looking at incidents to ascertain who and/or what was responsible.
- These are distinct and vital functions in a large organization, an absence of either function would be, in itself, an additional area of risk.