

**State Education Resource Center
2018 and 2018
Audit Findings Checklist**

Findings and Recommendations

Status

I. SERC Foundation

A. Independent Financial Audits for 2017 and 2018 fiscal years not completed as required according to bylaws

Resolved as of 2020 fiscal year - engagement letter signed with independent audit firm to conduct audit for current year.

B. MOA's and/or contracts between SERC and SERC Foundation lacking details and not up to best practice standards

Resolved the MOA's have been updated and brought up to best practice standards during the 2019 and 2020 fiscal years

C. Accounting for transactions between SERC and SERC Foundation were handled in inconsistent manner

Resolved during 2019 and 2020 fiscal years as accounting practices have been standardized and cleaned up

D. Whistleblower Policy was not in place

In Progress, a draft policy is currently being developed

II. SERC employee mileage reimbursement policy is more generous than generally accepted policy

Resolved SERC Board of Directors approved a new policy in July 2020

III. SERC should develop a comprehensive internal control system which is documented and approved by the Board of Directors

A. SERC Board Of Directors did not approve fiscal policies to meet all of its internal control objectives

In progress multiple sections were approved during 2019 and 2020 plus additional sections are in development (Purchasing, Procurement, Cash Disbursement, Credit Card, Bank Reconciliation and Compliance Reporting sections approved)

B. SERC did not fulfill all of its reporting requirements

In progress SERC is now current with most of its reporting requirements but there are a couple still pending final resolution

IV. Executive Director did not always approve credit card statements prior to payment being issued

Resolved, SERC Fiscal Department has implemented procedure to ensure this is completed in timely manner