

January 2017

Highlights

Internal Audit Report to the Board of Supervisors/School Board

Why We Did This Project

Internal Audit conducted this special project based on a request from Chesterfield County Public Schools (CCPS) to evaluate their participation with the Lifelong Learning Institute (LLI), a non-profit organization independent of Chesterfield County (the County) and CCPS.

Our objectives were to:

- Determine the relationship and support between the Lifelong Learning Institute (LLI), the County, and CCPS.
- Evaluate performance monitoring of LLI conducted by the County and CCPS.
- Report results to the School Superintendent and other management as required.

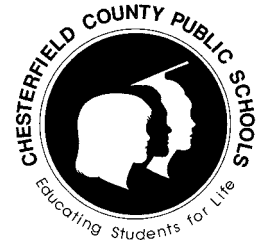
What We Recommend

- CCPS consider amending the MOU to include requirements that LLI provide audited financial statements and periodic reports on program activities.
- CCPS update policies and procedures to clarify when facility use requires an MOU, rather than a facility use agreement, to define items such as: program goals, value of facility use provided, and assigned personnel to monitor MOU compliance.



For more information, please contact
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Lifelong Learning Institute Special Project



What We Found

Background

LLI is a 501(c)(3) non-profit organization designed to meet the educational, fitness and social enrichment needs of adults 50 and over by offering daytime courses, lectures, activities, and special events on a wide range of topics. LLI operates out of the CCPS Watkins Annex Facility.

CCPS has a Memorandum of Understanding (MOU) with LLI outlining their use of this facility at no charge. LLI's use of this property, valued at \$186,000 in their financial statements, represents a significant amount of their FY 2015 total support and revenue of \$622,000.

LLI has applied for and received \$10,000 in Community Agency Funding from the County's Board of Supervisors each year since FY 2009. LLI has submitted reviewed financial statements with their applications. A review is substantially less in scope than an audit and the accountant does not express an opinion regarding the financial statements as a whole. In the County's most recent funding agreement, the Board of Supervisors added the requirement that LLI must submit an annual audit report for LLI's fiscal year ending June 30, 2017.

Our evaluation identified opportunities to strengthen monitoring for community organizations supported by CCPS.

Summary of Findings

CCPS has had an unwritten partnership with LLI dating back to 2003. Since then, LLI's programs have grown. A memorandum of understanding (MOU) between CCPS and LLI was signed in June 2016

The MOU does not require LLI to:

- Submit any financial documents (budget, financial statements, etc.) to CCPS.
- Produce any reports outlining the activities and programs and how they benefit the residents of the County.

CCPS does not have documented procedures to:

- Define CCPS personnel responsible for oversight of support provided to LLI.
- Monitor LLI services against performance measures or program goals.
- Compare program outcomes to cost of support provided.

Management concurred with 3 of 3 recommendations to be implemented by July 1, 2017.

We appreciate the cooperation received from management and staff while conducting this audit.