Dedicated to Excellence
Cherry Creek Schools

Operational Review and District Response

November 24, 2026

Operational Review



Intended to identify opportunities to strengthen accountability, oversight, and operational effectiveness.



Initiated by the Board of Education in February 2026.



Independent auditor Plante Moran selected through RFP process by committee in June 2026.

Two Different Reviews, Two Different Purposes

1

Annual External Financial Audit

- Reviews whether the District's financial statements comply with applicable accounting and reporting standards and are materially stated.
- The audit presented to the Board on Nov. 16 was clean, with no significant findings.

2

Plante Moran Operational Review

- Examines internal controls, policies, process, documentation and operational practices.
- Identifies risk, gaps, and opportunities for improvement.
- Includes recommendations for strengthening District Operations.

Scope of Operational Review



Assess the adequacy and effectiveness of governance structures and oversight processes.



Evaluate the design and operating effectiveness of internal controls, relating to segregation of duties and financial approval processes.



Determine compliance with procurement policies, bidding requirements, and Board approvals thresholds.

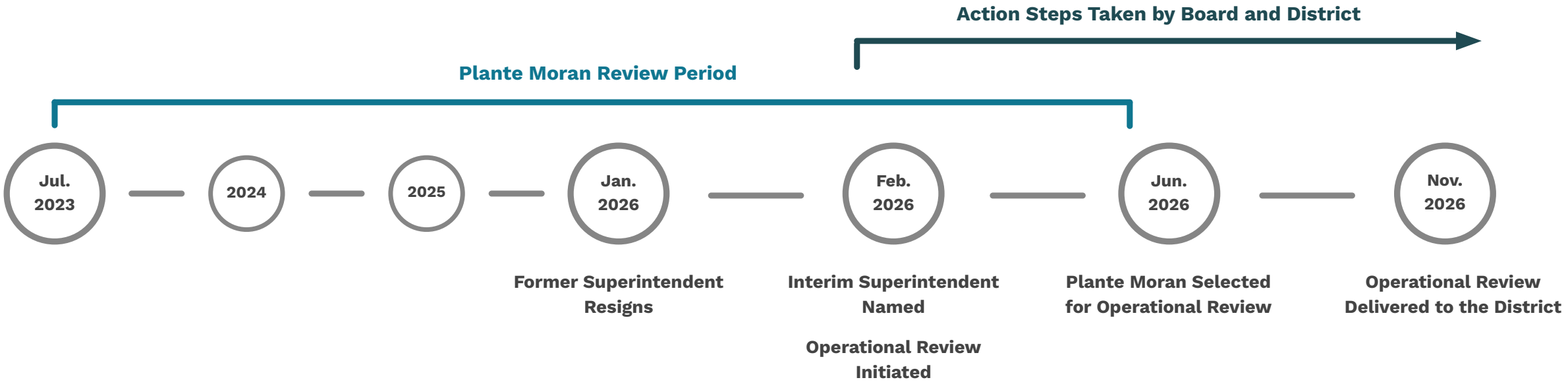


Evaluate the fairness, transparency, and consistency of hiring and promotion practices.



Evaluate transparency and accountability to community members and staff through accessible feedback mechanisms.

Operational Review Timeline



NOTE: "Before and during this review, District management recognized gaps in several of its own processes and began putting new policies, procedures, and practices in place. … Because many of these efforts began late in, or after, the scope period, please note that the related findings remain [in the operational review]." (Plante Moran Operational Review, page 6)

Action Steps Taken To Date

The Board of Education and District did not wait until the Operational Review was complete to take action. Over the past 10 months, the Board and District have:

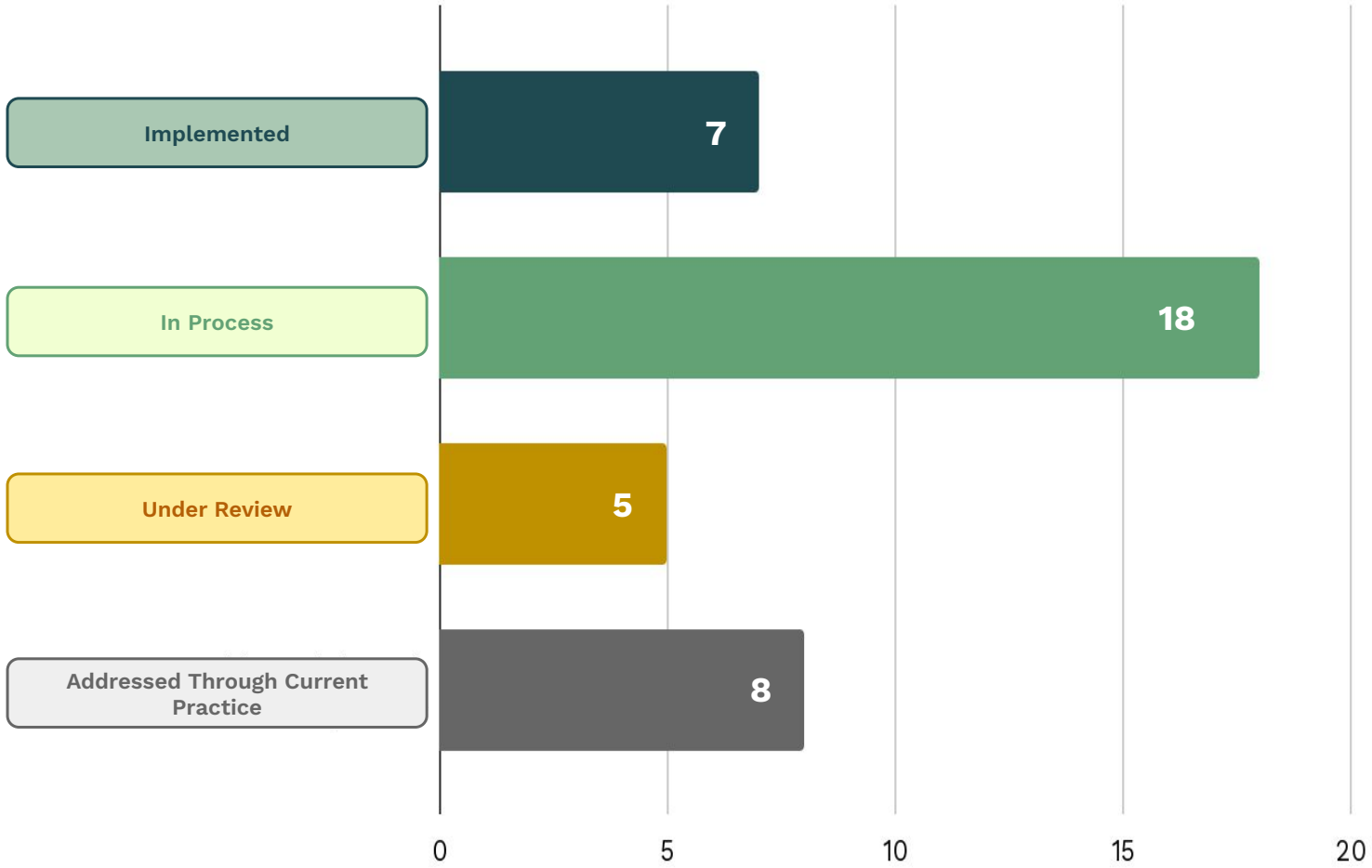
- Prioritized staff and community culture, made changes in key personnel, and refocused on vision of Dedicated to Excellence.
- Implemented consistent and transparent communication to staff and community through email messages, newsletters, and Accountability webpage.
- Advanced process improvements in procurement, budgeting, financial reporting, and employee practices, including updates and improvements to Oracle systems and structures.
- Required additional executive approval for significant expenditures.
- Implemented tighter purchasing controls including updates to Board policy DJ (Purchasing Authority) to lower the threshold for Board approval of contracts from $400,000 to $250,000. Revised Board Policies DJF (Purchasing Materials and Services) and DJG (Vendor Relations).

Action Steps Taken To Date | Continued

Over the past 10 months, the Board and District also have:

- Mandated Legal Department review of all contracts.
- Reduced overreliance on external consultants through a comprehensive review of consulting contracts.
- Developed and disseminated a comprehensive travel guide book to all employees and implemented an electronic approval system for all District administrators.
- Drafted new Board Policy GBEA addressing nepotism and conflicts of interest – 1st read at November Board meeting.
- Added additional content to Walking the Pathways series reviewed by all staff at start of the year.
- Developed standard operational procedures and protocols for reporting and addressing potential conflicts of interest stemming from amorous and familial relationships.
- Delivered balanced budget aligned to district priorities.

Operational Review Findings



38

Total Reported Findings

Key Takeaway

Of the 38 findings 33 have already been addressed or are in the process of being addressed.

Findings

Operational Review Finding #1

Category: Governance and Culture / Independent Reporting and Oversight

Plante Moran Finding Summary

As part of the Operational Review, Plante Moran supported the establishment of an independent, reporting channel administered through Ethics Suite. District staff, families, and community members could use the channel to submit information confidentially and anonymously. Plante Moran administered the intake process and received 147 reports through the channel, some of which contained allegations concerning members of the Board of Education and senior District leadership....
This finding does not express a conclusion regarding the validity of any allegation received through reporting channel. Rather, it identifies a governance and oversight gap; the District presently lacks a designated independent mechanism for receiving and determining the appropriate disposition of allegations involving members of the Board or senior District leadership. *[Emphasis added]*

District Response and Action(s) Taken

- The Board is taking this finding under advisement and will determine next steps at a later date.
- The Board takes these allegations seriously and would call your attention to the Plante Moran statement: *"This finding does not express a conclusion regarding the validity of any allegation received through reporting channel."*
- The Board recognizes this process is ongoing and is committed to seeing it through.
- The Cherry Creek School District Community should continue to report any concerns through existing channels.

Plante Moran Stated Priority: High

Status: Under Review

Operational Review Finding #2

Category: Governance and Culture / Independent Reporting and Oversight

Plante Moran Finding Summary

Apart from the reports submitted through the independent reporting channel, individuals interviewed or otherwise contacted during the Operational Review made allegations concerning members of the Board of Education, senior District leadership, and other district personnel. We documented 28 distinct allegations which fall within the following general categories: Board conduct and violations of open government laws … ; Construction, procurement, and budget issues … ; Improper compensation … ; Conflicts of interest … ; Inappropriate personnel and hiring decisions … ; [and] Specifics instances of improper workplace conduct and retaliation by District leadership …. These allegations are statements made to Plante Moran by the individuals interviewed or contacted. They have not been tested through a complete investigation …. *Accordingly, we have not determined if the allegations are substantiated and express no conclusion regarding their accuracy, validity, or legal significance. [Emphasis added]*

Plante Moran Stated Priority: High

District Response and Action(s) Taken

- The Board is taking this finding under advisement and will determine next steps at a later date.
- Plante Moran's report states: *"Accordingly, we have not determined if the allegations are substantiated and express no conclusion regarding their accuracy, validity, or legal significance."*
- The Board takes these allegations seriously and will take next steps accordingly.

Status: Under Review

Operational Findings

Operational Review Finding #3

Category: Governance and Culture / Employee Conduct

Plante Moran Finding Summary

We requested, but did not receive, a single Code of Conduct that applies to all employees, including senior leaders. Existing guidance (Policy) GBEB - Staff Conduct) addresses professional conduct, professional boundaries, and interactions with students, but does not set specific expectations for gifts, vendor relationships, outside employment, use of District resources, or financial conflicts of interest. Without clear District-wide standards, employees may not know what is expected of them, and the District has a weaker basis for holding employees accountable.

Plante Moran Stated Priority: High

District Response and Action(s) Taken

- Existing Board policies addressing Identified staff conduct topics include:
  - GBEB - Staff Conduct
  - DJG - Vendor Relations
- Policy GBEA - Staff Ethics was submitted to Board for 1st Read in November. To be submitted to the Board for approval in December.
- Policies are based on CASB policies and cross-reference each other.
- Policy training will be added to annual staff training videos.

Status: In Process

Operational Review Finding #4

Category: Governance and Culture / Nepotism and Relationship Disclosures

Plante Moran Finding Summary

Policy GBEB prohibits employees from directly or indirectly supervising an immediate family member or a romantic partner, and requires both employees to notify Human Resources within 10 working days when such a relationship arises. However, during the scope period the District had not defined the full range of relationships that must be disclosed, required an annual certification, or established how disclosures are reviewed, approved, documented, and safeguarded. A central tracker and approval process was not in place until May 2026, near the end of the scope period. All four disclosures we tested had documentation gaps, and we did not identify a consistent process to detect and manage relationships that employees do not disclose. As a result, the District cannot show that related employees are not supervising, evaluating, or setting pay for one another.

District Response and Action(s) Taken

- Online identification and tracking process for GBEB (Staff Conduct) fully implemented Fall 2026.
- Identified revisions are embedded in proposed Policy GBEA (Staff Ethics / Conflicts of Interest) submitted to the Board for 1st read in November.
- Policy training will be added to annual staff training videos with annual policy acknowledgement.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #5

Category: Governance and Culture / Conflict of Interest

Plante Moran Finding Summary

Board members must disclose conflicts under Policy BC, but the District did not provide, and we did not identify, procedures requiring employees to disclose outside financial interests or employment that could conflict with their District duties (employee conflicts of interest), or to disclose relationships with vendors that do business with the District (vendor conflicts of interest). We also did not identify an annual certification, a defined review or approval step, or a record of disclosures. As a result, the District cannot show that conflicts are identified and managed before they influence hiring, purchasing, or contract decisions. The expectations themselves should be set in the Code of Conduct recommended in Finding 1; this finding addresses the procedures that put them into practice.

District Response and Action(s) Taken

- Proposed Policy GBEA (Staff Ethics) addresses conflicts of interest submitted to the Board for 1st read in November. To be submitted to the Board for approval in December.
- The process for disclosing vendor relationships has been in place for three years and the procurement team is in the process of automating that process.
- Vendor conflicts of interest are addressed in Policy DJG (Vendor Relations) last revised in November 2026.

Plante Moran Stated Priority: High

Status: Implemented

Operational Review Finding #6

Category: Governance and Culture / Reporting Channels and Complaint Handling

Plante Moran Finding Summary

We did not identify an independent or anonymous channel for employees to report misconduct, or written guidance on where to go when a concern involves Human Resources, Legal, or senior leadership. Policy AFCA provides reporting protections only for False Claims Act matters. Complaints are tracked in a spreadsheet, but there are no written procedures defining how complaints are received, who investigates, how quickly, how cases are closed, or how complainants are informed. As a result, concerns may go unreported, be handled by the people they involve, or remain unresolved.

District Response and Action(s) Taken

- HR processes exist and have been communicated to all employee groups including unions.
- Reporting channels include Safe2Tell and the equity compliance email.
- Policies KEC (Public Concerns) and GBED (Prevention of Harassment and Discrimination of Staff) and the AC non-discrimination series all contain complaint processes.
- Continue to research and evaluate best practices, including the development of written protocols.

Plante Moran Stated Priority: High

Status: Under Review

Operational Review Finding #7

Category: Governance and Culture / Board Ethics and Policy Maintenance

Plante Moran Finding Summary

The Board Member Code of Ethics was last revised in 1992, and we did not identify a schedule for reviewing its more than 350 Board policies. Policies have historically been updated in response to external events rather than on a planned cycle. As a result, Board and District guidance may not reflect current law, governance expectations, or practice.

District Response and Action(s) Taken

- 115 policies have been updated since January 2023.
- Updates were prioritized based on impact and age of policy.
- BCA-E(1) (Board Code of Ethics) will be submitted to the Board on December 14th.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #8

Category: Governance and Culture / Compliance Training

Plante Moran Finding Summary

Employees complete required training through the Pathway of Purpose platform at onboarding and annually, covering topics such as cybersecurity, harassment prevention, safety, and student safeguarding. However, the District has not set specific training requirements on ethics topics such as conduct expectations, conflicts of interest, nepotism, reporting misconduct, and protection from retaliation, and Board members have no ethics training requirement. Without targeted training, employees and Board members may not understand the expectations they are held to.

District Response and Action(s) Taken

- Required annual training for all staff videos will be updated to include expanded Ethics training.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #9

Category: Finance and Accounting / Accounts Receivable

Plante Moran Finding Summary

Schools collect and spend student activity funds (Fund 23). Per the Colorado Department of Education, Fund 23 is a fund for school- sponsored student activities, such as clubs, athletics, yearbook, field trips, class fundraisers, and money raised for other student groups. We did not detect consistent, reliable processes to collect and monitor receipts and spend in these funds across schools. Because this cash is handled by many people at many locations, unauthorized or unsupported spending at the school level could go undetected.

District Response and Action(s) Taken

- A consistent and reliable process exists for collecting and depositing cash and is documented in the Business User Guide (BUG).
- My School Bucks software was implemented in March of 2026 which improves reporting at the site and District level.
- The majority of payments received are collected through My School Bucks which flows directly through Oracle and District bank accounts.
- Concerted efforts to minimize cash transactions.
- All expenses in Fund 23 flow through Oracle with appropriate approval flows.

Plante Moran Stated Priority: High

Status: Implemented

Operational Review Finding #10

Category: Finance and Accounting / Budgeting

Plante Moran Finding Summary

We requested, but did not receive, documentation of who may approve the use of contingency funds or payroll costs above budget, or at what dollar levels, and approvals are not consistently retained. Without defined approval limits and evidence, contingency funds could be used without appropriate authorization or visibility.

District Response and Action(s) Taken

- The Board's approval authority for each fund is at the appropriation level.
- On an annual basis, a District contingency is appropriated in the annual budget.
- While contingency approvals are clearly documented, the CFO will develop an approval matrix defining the dollar thresholds for these approvals.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #11

Category: Finance and Accounting / Travel and Employee Expense

Plante Moran Finding Summary

During the scope period, the District did not have formal, District-wide policies and procedures for travel and employee expense reimbursement. Employees other than administrators were not required to obtain documented approval before booking travel. In addition, we tested 15 employee expense reimbursements and found exceptions in 4 samples. Two were not supported by itemized receipts or by documentation that agreed to the amount reimbursed. For the other two, per diem was paid for days outside the event dates with no documented justification and no review on whether the event already provided meals. Management is developing travel and expense policies and procedures and has shared drafts with us. Until the new guidance is finalized and in use, the District cannot show that travel and employee expenses are approved in advance, supported, and for a District business purpose.

District Response and Action(s) Taken

- All recommendations were implemented in July 2026.
- Travel guidebook has been created and disseminated to all employees.
- Administrators, including the Superintendent, are required to obtain prior approval for all business travel.
- Policy DJF (Purchasing Materials and Services) was updated in May 2026 to strengthen travel reimbursement criteria.

Plante Moran Stated Priority: High

Status: Implemented

Operational Review Finding #12

Category: Finance and Accounting / Financial Close and Reporting

Plante Moran Finding Summary

Manual journal entries change the District's accounting records directly. Oracle requires independent approval only for manual journal entries over $100,000; below that amount, the person who prepares an entry can also approve it. For 6 of 10 entries tested, the same person prepared and approved the entry, including 3 entries by an Accounting Bookkeeper, a role that is supposed to enter but not post entries. Without independent review, errors or improper entries could be recorded without detection.

District Response and Action(s) Taken

- One of the primary roles of the Accounting Bookkeeper is to review and post journal entries provided by schools and/or departments.
- The person submitting a journal entry initiates transaction and will always be the first approver in the workflow.
- Oracle then routes the entry to the appropriate approvers based on dollar amounts.

Plante Moran Stated Priority: High

Status: Implemented

Operational Review Finding #13

Category: Finance and Accounting / Position Control

Plante Moran Finding Summary

New positions and position changes are supposed to go through Oracle so that FP&A confirms the position is budgeted before it takes effect. In practice, some positions are added or changed based on approvals obtained outside Oracle, and a single Human Resources Director can make these changes without FP&A confirming the budget. Per management, Oracle also cannot produce a report of position additions and changes, so the District does not monitor changes made outside the process, and we were unable to test a complete list of changes. As a result, unbudgeted positions could be created without detection.

District Response and Action(s) Taken

- Position control processes continue to improve between Human Resources (HR) and Financial Planning & Analysis (FP&A)
- While some changes may not route through the Oracle approval flow, those changes and associated approvals are documented via email.
- With turnover in 2026 several key leadership positions, new positions needed to be created.
- The Superintendent has the authority to select administrators per the Superintendent's contract.
- Continue to explore reporting options that can be used to audit position approvals.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #14

Category: Finance and Accounting / Financial Close and Reporting

Plante Moran Finding Summary

The chart of accounts defines the accounts used to record District transactions. Changes are supposed to be prepared by an Accountant and approved by the Assistant Controller, and accounts should have no balance before they are closed. For 4 of 15 changes tested, the same person prepared and approved the change, and for 2 of 15 account closures there was no evidence the balance had been cleared first. As a result, improper changes could be made, and balances could be misplaced or misreported.

District Response and Action(s) Taken

- CDE defines the account segments school districts must use in order to comply with data pipeline and financial transparency.
- In some cases, an account segment may be deactivated for a future effective date and therefore balances may exist at the time of deactivation.
- Irrespective of the account segment status, all prior transaction detail is still reflected in the General Ledger.
- Developed a process to communicate when account segments are changed.

Plante Moran Stated Priority: High

Status: Implemented

Operational Review Finding #15

Category: Finance and Accounting / Accounts Payable and Vendor Management

Plante Moran Finding Summary

Vendor records in Oracle control who the District pays and where payments are sent. We did not identify evidence that changes to vendor records, including changes to vendor bank accounts, are reviewed or monitored, and the same staff can change vendor records and process payments. For the 15 vendors we tested, none had documented review before setup, and inactive vendors are not periodically removed. These gaps increase the risk that payments are redirected to fraudulent bank accounts or made to fictitious vendors without detection.

District Response and Action(s) Taken

- We do not pay through ACH (wire transfer) for any vendor other than our employee benefit related providers and charter schools.
- Any new or modified ACH banking instructions are verified by the Senior Treasury Accountant and approved by the Controller.
- When a vendor is created, they are set up as a check payment. If addresses are subsequently updated, supplier verification occurs before changes are made.
- Inactive vendors are removed. We will establish a more frequent cadence for reviewing inactive vendors.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #16

Category: Finance and Accounting / Accounts Payable

Plante Moran Finding Summary

Per management, Oracle is designed to match each invoice to an approved purchase order and a record that goods or services were received before payment, with no overrides. For 2 of 15 invoices tested, no purchase order was available, yet the invoice was paid, including one payment of about $1.5 million. In addition, based on our Segregation of Duties analysis, we identified incompatible duties conflicts that allow users the ability to enter or approve supplier invoices while also releasing invoice holds or matching violations, processing disbursements or forcing payments when funds are insufficient, approving purchases, or modifying supplier records. As a result, significant payments can be made without confirming they were authorized.

District Response and Action(s) Taken

- The sampled payment of $1.5M is related to janitorial services.
- The Board approves a resolution to contract janitorial services annually, including a not to exceed amount. The most recent resolution was adopted on June 8, 2026.
- Utilities, janitorial services and print management services are paid via upload in order to fully allocate the expense across all locations and therefore not directly tied to a PO, however there is a standard approval process.
- While AP staff may rerun invoice validation to confirm that corrections have been made, they cannot clear or override matching exceptions or insufficient funds holds.
- Matching exceptions must be resolved by the originating department, and budget overrides require separate FP&A approval within Oracle.

Plante Moran Stated Priority: High

Status: Addressed Through Current Practice

Operational Review Finding #17

Category: Finance and Accounting / Segregation of Duties

Plante Moran Finding Summary

The District's Oracle security setup lets individual users perform incompatible duties across eight key process areas, including purchasing, supplier maintenance, journal entries and period close, as well as invoice and payment processing. We identified 88 roles, including custom CCSD roles, and 5,817 users with conflicting access. Many of the existing controls that could offset these conflicts were found to be ineffective in our testing. As a result, one individual could initiate, approve, and complete a transaction, or change records to hide it, without independent review. This increases the risk of errors, unauthorized payments, or misuse of District funds going undetected. Appendix B describes each conflict and the related recommendations in more detail.

District Response and Action(s) Taken

- Working with Oracle Critical Customer Success to review security roles.
- Continue to explore reporting options that can be used to audit security roles.
- Created the initial audit report for review with Finance and HR leadership.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #18

Category: Finance and Accounting / Payroll

Plante Moran Finding Summary

Before each biweekly payroll is paid, the Payroll Manager is expected to review the payroll register for unusual amounts and resolve exceptions. For all 5 payroll runs we tested, the payroll register was available, and an outlier report identified unusual items and indicated whether each was resolved. However, there was no evidence, such as a sign-off, review notes, or system approval, that the Payroll Manager reviewed the register before payroll was processed. There was also no evidence of when the review occurred or that all outliers were resolved before payment. The District also has not defined thresholds that would trigger investigation, and no one independent of payroll confirms the review. As a result, the District cannot show that payroll errors or improper payments are caught before employees are paid.

District Response and Action(s) Taken

- The payroll register referenced is generated after payroll processing and is not the primary tool used for pre-payroll review.
- Prior to payroll processing, Payroll staff perform documented audit procedures using multiple payroll exception and validation reports with established review thresholds by pay type, as outlined in the payroll runbook and audit guide.
- Review responsibilities are shared across Payroll staff, with independent review performed by team members not processing the payroll.
- Completion of review procedures is documented within the payroll runbook for each run with the individuals initials.
- To further strengthen documentation, a formal final sign-off by the Director of Payroll & AP or designee was added to the runbook effective November 20, 2026 payroll.

Plante Moran Stated Priority: High

Status: Implemented

Operational Review Finding #19

Category: Finance and Accounting / Cash Management

Plante Moran Finding Summary

Opening or closing a District bank account is supposed to be approved by the Board Treasurer and the Controller before the bank acts. For the two account openings tested, evidence of the Board Treasurer's approval was not retained for one account and evidence of a request date or bank activation date to verify timeliness of approvals for both accounts was not provided. As a result, accounts could be opened without authorization or exist outside the District's oversight.

District Response and Action(s) Taken

- All District bank accounts have been approved by the Board Treasurer.
- One fiduciary account was opened during the review period related to the Front Range Board of Cooperative Educational Services (FRBOCES). The account was authorized by the Executive Director of the FRBOCES.
- The District reports a fiduciary fund related to its agreement with Front Range BOCES. Fiduciary funds account for resources held and administered by the District on behalf of others and are not available to support District operations nor do we have financial obligations to the fund.
- Assess option of shifting BOCES account to another district.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #20

Category: Procurement and Contract Management / Purchasing Authorization

Plante Moran Finding Summary

Policy DJF requires competitive quotes or bids above $5,000 and $100,000, and Policy DJ requires Board approval above $250,000. We did not identify a process to monitor cumulative spending with each vendor, or contracts approaching these thresholds, to identify purchases that may have been split, spread over time, or amended to stay below them. As a result, purchases that should have been competitively bid or approved by the Board could go undetected.

District Response and Action(s) Taken

- The District's contract database is housed in SalesForce where aggregate spend is monitored.
- Supplier aggregate spend is reviewed monthly by the Procurement Department to ensure any individual supplier does not exceed the Board approval limits.

Plante Moran Stated Priority: High

Status: Addressed Through Current Practice

Operational Review Finding #21

Category: Procurement and Contract Management / Vendor Management

Plante Moran Finding Summary

We did not identify a formal process to track vendor performance on significant contracts, or to escalate and resolve performance problems. Without monitoring, the District may continue paying, or renew contracts with, vendors that are not meeting contract requirements.

District Response and Action(s) Taken

- Buyers act as the relationship manager and liaise between vendors and department stakeholders to ensure service levels are being met.
- Evaluating additional contract language and staff training opportunities to ensure progress monitoring is taking place.

Plante Moran Stated Priority: High

Status: Under Review

Operational Review Finding #22

Category: Procurement and Contract Management / Purchasing Cards

Plante Moran Finding Summary

Each month, the Purchasing Card Administrator is expected to audit a random 20% of purchasing card expense reports, plus reports flagged as high risk. For the three months we selected, the District could not provide evidence that these audits were performed. As a result, the District cannot show that purchasing card spending is monitored for personal, unallowable, or unsupported purchases.

District Response and Action(s) Taken

- Evidence of Purchasing Card Administrator reviews is maintained within Oracle and can be viewed at the individual expense report level, including audit documentation, review comments, and approval history.
- Development of a report is in process to provide more consolidated reporting of Purchasing Card Administrator audits.
- Sample audit documentation exists.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #23

Category: Procurement and Contract Management / Contract Review

Plante Moran Finding Summary

Under Policy DJ, contracts are supposed to be reviewed and approved by the Legal Department before they are signed. Management acknowledged that this review was not consistently performed or documented during the scope period, and the contract workflow does not require Legal approval before signature. As a result, the District may enter into contracts with unfavorable or non-compliant terms.

District Response and Action(s) Taken

- Board Policy DJ was amended in February 2026 to mandate legal review of all contracts. Plante Moran's review applied the February 2026 requirement retroactively to earlier contracts.
- Contract reviews & approvals are now being tracked through the Salesforce platform.
- POs cannot be opened and payments cannot be made until contract review by the Legal Department is verified.

Plante Moran Stated Priority: High

Status: Implemented

Operational Review Finding #24

Category: Procurement and Contract Management / Purchasing Cards

Plante Moran Finding Summary

Purchasing cards (OneCards) are expected to be reviewed each quarter to identify and deactivate cards held by employees who have left or no longer use them. For both quarters we tested, the District could provide only a list of planned future deactivations; it could not show which period was reviewed, who reviewed it, or that cards were actually deactivated. There is also no formal step in the employee separation process that tells the card administrator to deactivate a departing employee's card. As a result, former employees may keep active cards that could be used for unauthorized purchases.

District Response and Action(s) Taken

- Since September the One Card Administrator receives a report on a weekly basis called the Separated Employee Work Relationship Report to identify One Card holders that need to be deactivated.
- Continue to develop protocols and reporting when an employee is placed on on a leave of absence.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #25

Category: Procurement and Contract Management / Change Orders

Plante Moran Finding Summary

Policy DJ requires Board approval for any change order that increases a contract's approved amount by more than 10%, regardless of project size. In practice, the District brings change orders to the Board only for projects of $250,000 or more; change orders on smaller projects are approved by email. The District also has no report of change orders, so we could not test a complete list. As a result, significant contract increases may be approved without the Board oversight its policy requires.

District Response and Action(s) Taken

- Contract with Metaformers to monitor change orders process; change orders are routinely submitted to Board.
- Policy DJ is currently under first read by the Board and will be reviewed for clarity.
- All change orders above the Board's threshold are embedded in the monthly Board Bulletin.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #26

Category: Procurement and Contract Management / Sole-Source Procurement

Plante Moran Finding Summary

Policy DJF requires purchases over $5,000 made from a single vendor without competition (sole-source purchases) to be justified and approved by the CFO or a designee. For 5 of 9 sole-source purchases tested, the required justification or approval was missing or was prepared after the purchase. Management stated that approval is not needed below $100,000, which is inconsistent with Policy DJF. As a result, purchases may be awarded without competition or a valid business justification.

District Response and Action(s) Taken

- The Director of Strategic Sourcing and Supplier Management may serve as the CFO's designee for sole-source approvals.
- Purchase orders are approved through the Oracle threshold workflow approval. The Director's signature on the purchase orders reflects the delegated authority structure, and approvals may also be performed by authorized members of the Director's team.
- The approval requirements cited in the finding are addressed through the existing purchase order approval process and delegated authority framework.

Plante Moran Stated Priority: High

Status: Addressed Through Current Practice

Operational Review Finding #27

Category: Procurement and Contract Management / Competitive Procurement Exceptions

Plante Moran Finding Summary

When the District makes an exception to competitive procurement, its process requires a documented justification, approval by the CFO or Superintendent, timely written notice to the Board, and a review of the vendor arrangement within 12 months. The District could not provide sufficient evidence of these steps, so we could not test a sample. As a result, the Board may not have visibility into purchases made without competition.

District Response and Action(s) Taken

- We have made no exceptions to the policy, therefore there was nothing to test.
- If an exception were to be made, the process would be followed as recommended.

Plante Moran Stated Priority: High

Status: Addressed Through Current Practice

Operational Review Finding #28

Category: Procurement and Contract Management / Purchase Approvals and Competitive Bids

Plante Moran Finding Summary

Policy DJ requires purchases to be approved at specific levels based on dollar amount, including Board approval for purchases over $250,000. For 6 of 13 purchases tested, approval was not at the required level: four purchases over $250,000 had no evidence of Board approval, one was approved by the Controller instead of the required approver, and one had no approval. In addition, the District did not provide procurement method documentation for any of the purchases selected. Without this documentation, we could not confirm whether the purchases were solicited and awarded in accordance with policy. As a result, significant spending may occur without proper Board and District oversight or a competitive process.

District Response and Action(s) Taken

- Oracle is configured with automated approval workflows based on established spending thresholds and does not allow approvals to be bypassed.
- Authorized approval delegations are used when District leadership is out of office.
- The District was not provided the specific transactions identified as exceptions and therefore was unable to review or validate the cited approval concerns.
- The $250,000 threshold was implemented in February 2026, and Plante Moran's finding may reflect purchases made prior to the reduction of that threshold.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #29

Category: Human Resources and Personnel Practices / Hiring

Plante Moran Finding Summary

We did not identify a process to independently review hiring decisions for indications of favoritism, pre-selection, or inconsistent application of selection criteria. Per management, the District has more than 200 hiring managers, who form interview committees, and neither hiring managers nor interview panel members receive formal training on fair hiring practices. Interview notes are also not documented on a standard form. Management indicated it is working on ways to reduce bias in the interview process. Related findings show positions closed early while candidates were already being considered (Finding 33) and missing interview and reference documentation (Finding 34). Together, these gaps make it difficult for the District to show that hiring is fair and consistent.

District Response and Action(s) Taken

- Strengthen training to address this finding - including training on favoritism based on protected classes.
- Each hiring committee will certify they've reviewed these guidelines for every hiring process.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #30

Category: Human Resources and Personnel Practices / Compensation

Plante Moran Finding Summary

Human Resources sets up new hires and pay changes in Oracle, but the District does not retain documented approval showing how each individual's pay rate was determined. For 4 of 15 pay rates tested, the employee's pay was outside the published salary schedule with no documented approval. For one executive position, a salary calculation error was corrected without documented Board notification or re-approval of the corrected salary. In addition, for new or reclassified positions, the Director of Compensation obtains a third-party market study and District Leadership Team (DLT) approval of the pay range before the position is posted. However, once the range is approved, no one reviews or approves the specific salary or hourly rate offered to each candidate. Salaries typed manually into offer letters are also not independently checked before the offer is sent. As a result, employees may be paid more or less than approved, or outside the market-based range, without justification or anyone noticing.

District Response and Action(s) Taken

- Process is documented and salaries are based on Market Studies or negotiated salary schedules.
- Per statute, the Board's authority is at the appropriation level and not individual line items or salaries.
- HR Director reviews and approves compensation rates.

Plante Moran Stated Priority: High

Status: In Process

Operational Review Finding #31

Category: Finance and Accounting / Financial Close and Reporting

Plante Moran Finding Summary

Balance sheet reconciliations confirm that recorded account balances are correct. The District reconciles some accounts monthly, some quarterly, and some only annually, without documented criteria for deciding how often each account should be reconciled. For 2 of 3 reconciliations tested, there was no evidence of who prepared or reviewed them, and the third was reviewed about two months after it was prepared. As a result, errors or unauthorized entries may go undetected for long periods.

District Response and Action(s) Taken

- The District adheres to a reconciliation schedule.
- Reconciliation frequency is risk-based and varies by account. A listing of account reconciliation frequencies was provided during the review.
- The District was not provided sufficient detail regarding the specific reconciliations cited as exceptions and, therefore, could not validate the observations related to preparation, review, or timing.
- The District will evaluate opportunities to further formalize documentation and review procedures.

Plante Moran Stated Priority: Moderate

Status: In Process

Operational Review Finding #32

Category: Finance and Accounting / Position Control

Plante Moran Finding Summary

Oracle can allow more than one person to fill a position at the same time (an "overlap"), which lets staffing exceed the approved level. FP&A began a weekly review of overlaps on April 23, 2026. Before then, overlaps were not reviewed. For the four weeks we tested after that date, the District could not show that the overlap report was accurate, that it was reviewed and approved, or that overlaps were resolved. As a result, staffing above approved levels could have gone undetected for most of the scope period.

District Response and Action(s) Taken

- To ensure continuity of services and support, overlap is sometimes necessary.
- Requests for position overlap are made through the appropriate Financial Planning & Analysis (FP&A) Analyst and approved by the CFO.
- Active overlaps are reviewed on a weekly basis by Financial Planning & Analysis (FP&A).
- The District provided samples of these reports.
- Continue to refine the process and documentation of these approvals.

Plante Moran Stated Priority: Moderate

Status: In Process

Operational Review Finding #33

Category: Finance and Accounting / Budgeting

Plante Moran Finding Summary

The FP&A Executive Director is expected to review budget-to-actual results each month and investigate significant differences. The District could not provide evidence of these monthly reviews. Quarterly budget reports to the Board were tested separately and found to be in place. Without documented monthly reviews, the District cannot show that overspending is identified on a timely basis, between quarterly Board reports.

District Response and Action(s) Taken

- In compliance with state law, we post the required District level quarterly financial reports on our website.
- District Financial Planning & Analysis (FP&A) team provides monthly school financial reports to principals and Executive Directors of Schools.
- Department financial reports are reviewed quarterly with Directors and their Financial Analyst.
- Standardizing department reporting processes.

Plante Moran Stated Priority: Moderate

Status: In Process

Operational Review Finding #34

Category: Procurement and Contract Management / Purchasing Cards

Plante Moran Finding Summary

Before a purchasing card is issued, the employee is supposed to submit a request with a business reason, receive manager approval, and complete training and a test. The process is well designed, but for the 15 cardholders we tested, the District could not show that these steps were completed before cards were issued. As a result, cards may be issued without a business need, approval, or training.

District Response and Action(s) Taken

- Before a card is issued, all applications are saved to our shared drive, and assessments are documented on a spreadsheet.
- As noted, the process is well designed. The information currently exists but was not requested.

Plante Moran Stated Priority: Moderate

Status: Addressed Through Current Practice

Operational Review Finding #35

Category: Human Resources and Personnel Practices / Recruitment and Posting

Plante Moran Finding Summary

District positions are supposed to be posted for at least 8 days, with any exception approved by the HR Operations Director. For 6 of 15 postings tested, the position was closed after 1 to 5 days without documented approval. For three of these, candidates were already in the hiring process before the position was posted, and one was closed on verbal direction from District leadership. Closing postings early limits who can apply and can create the appearance that candidates were selected in advance.

District Response and Action(s) Taken

- The District's general practice is to post a position for 8 days. No law, Board policy, or negotiated agreement requires a position be posted for 8 days.
- Exceptions include District Leadership Team positions which are determined by the Superintendent.
- Truncated postings may be used for time sensitive hiring needs, as approved by the Executive Director of Human Resources.
- Some of the sampled positions were secondary to an extended hiring pool posting, which was posted for more than 8 days.
- The length of the job posting is determined prior to its publication. Jobs are not closed early, and postings include application deadlines.

Plante Moran Stated Priority: Moderate

Status: Addressed Through Current Practice

Operational Review Finding #36

Category: Human Resources and Personnel Practices / Interviews and Reference Checks

Plante Moran Finding Summary

Interviews are supposed to use questions from the District's Question Bank, with notes uploaded to Oracle, and reference checks are supposed to be completed after a posting closes and before an offer is made. For all 5 hires tested, the District did not provide sufficient evidence to show that interviews were conducted consistently and references were verified, before selection of the candidate finalist. As a result, the District may be unable to show that hiring decisions were consistent, fair, and based on verified information.

District Response and Action(s) Taken

- The standardized question bank is a resource tool for hiring managers.
- The use of the question bank is not appropriate across each and every one of our school and department positions.
- It is mandatory that interview notes and references are submitted through Oracle before a candidate can move forward with the hiring process.

Plante Moran Stated Priority: Moderate

Status: Addressed Through Current Practice

Operational Review Finding #37

Category: Finance and Accounting / Cash Management

Plante Moran Finding Summary

Monthly bank reconciliations are prepared by a Senior Accountant and reviewed by the Assistant Controller, which appropriately separates these duties. However, no deadline has been set for completing the review, and for all 3 reconciliations tested the review was signed off about three weeks to two months after preparation. Setting a review deadline would help ensure problems in cash accounts are found and corrected promptly.

District Response and Action(s) Taken

- Bank reconciliations are supported by Oracle Cash Management automation and are incorporated into the District's month end close process.
- The Assistant Controller reviews reconciliations with the Senior Accountants throughout the month end close process and is made aware of any reconciliation issues prior to formal sign off via email.
- The District will evaluate whether additional documentation of review timelines would further strengthen existing controls.

Plante Moran Stated Priority: Low

Status: Under Review

Operational Review Finding #38

Category: Finance and Accounting / Accounts Receivable

Plante Moran Finding Summary

Schools prepare cash deposits, and an Accounting Bookkeeper records them in Oracle based on deposit slips. For all 10 deposits tested, the deposit slips and records of who prepared and recorded each deposit were not available. As a result, we could not confirm that the person recording deposits is independent of the school staff who collect the cash, or that differences between deposit slips and bank deposits are investigated. Related Finding 7 addresses monitoring of student activity funds.

District Response and Action(s) Taken

- A listing of cash deposits was provided during the review. However, no additional supporting documentation was requested.
- Supporting documentation, including deposit records and related documentation, is maintained by the District and is available upon request.

Plante Moran Stated Priority: Low

Status: Addressed Through Current Practice

Limitations

Limitations



"Our conclusions are limited to the processes, controls, transactions, documentation, and periods included within the document scope." (Plante Moran Operational Review, page 3)



The review primarily focused on records available through Oracle. However, the District utilizes multiple platforms, and many records are maintained in other systems.



Certain recommendations align with corporate structures and fail to address the unique nature of a PreK-12 education system.

Next Steps

Next Steps



Continue to review findings and recommendations



Research best practices for how to implement new processes



Regular progress updates to the Board of Education

Keeping the Community Informed



Publishing actions and progress on the District's Accountability Webpage



Sharing updates through District newsletter and messages from the Interim Superintendent



Reporting progress publicly to the Board of Education



Tracking responsibility, status, and next steps for each finding

Questions?