NOTICE TO RESIDENTS OF THE MILWAUKEE AREA TECHNICAL COLLEGE DISTRICT, WISCONSIN

A regular open meeting of the ADVISORY AUDIT COMMITTEE of the Milwaukee Area Technical College District Board, Wisconsin, will be held in the BOARD ROOM (ROOM M210) of the MILWAUKEE AREA TECHNICAL COLLEGE, 700 West State Street, Milwaukee, Wisconsin on WEDNESDAY, AUGUST 17, 2005, beginning at 9:00am.*

The agenda** for said meeting is presented as follows:

A. Roll Call

B. Compliance with the Open Meetings Law

C. Approval of Minutes – May 15, 2005 - Attachment 1

D. Comments from the Public

E. Discussion Items

1. IT Project Control (Blackboard / Datatel Integration)

2. Anonymous Tipster Program

3. RFP for Internal Audit Assistance

4. Internal Audit

5. Budgeting

6. Financial Reporting / External Auditing

7. Post-Employment Benefits

8. Administrative Systems

9. Committee Structure

F. Action Items

1. Committee Charter – Attachment 2
G. Miscellaneous Items
   1. Communications and Petitions
   2. Information Items

H. Old Business/New Business
   1. Date of Next Meeting: November 8, 2005 at 9:30am

* Other members of the MATC Board may be present, although they will not be participating as members of this committee. This meeting may be conducted in part by telephone. Telephone speakers will be available to allow the public to hear those parts of the proceedings that are open to the public.

** Action may be taken on any agenda item, whether designated as an action item or not. Agenda items may be moved into Closed Session for discussion when it becomes apparent that a Closed Session is appropriate under Section 19.85 of the Wisconsin Statutes. The board may return into Open Session to take action on any item discussed in Closed Session.

Reasonable accommodations are available through the ADA Office for individuals who need assistance. Please call 414-297-6221 to schedule services at least 48 hours prior to the meeting.
The first regular quarterly meeting of the Advisory Audit Committee of the Milwaukee Area Technical College (MATC) was held in open session on Tuesday, May 10, 2005, and called to order by Chairperson Webber at 9:30 a.m. in the Board Room, Room M210, at the Milwaukee Campus of Milwaukee Area Technical College.

ROLL CALL

Present: Bonnie Baerwald, Mark Maierle, Anne Szcygiel, Bobbie Webber, Tom Weiland, Robert Yahr

COMPLIANCE WITH THE OPEN MEETINGS LAW

The Advisory Audit Committee meeting was noticed in compliance with the Wisconsin Open Meetings Law.

COMMENTS FROM THE PUBLIC

None

INTRODUCTIONS

Members each provided an overview of their background and experience, as well as their expectations for this Committee. (Brief written summaries for each Committee member are being made available.)

Mr. Piotrowski shared that the initial suggestion of the need for an audit committee, as well as an internal audit function at MATC, came from Virchow Krause & Company, in recent audit findings.

Mr. Piotrowski reviewed a comparative analysis of MATC’s general fund revenue/expenditures between a few other colleges and the Wisconsin Technical College System (WTCS) statewide averages.

The Committee discussed MATC’s current fund balance, and its history. Copies of MATC’s policy on reserves was distributed. Mr. Maierle stressed how controversial and important the issue of fund balance can be. Mr. Weiland noted that Moody’s recently published information regarding fund balance, which he agreed to provide to the Committee at a later time.
MANAGEMENT COMMENTS ON INTERNAL CONTROLS, RISK MANAGEMENT, ETC.

Mr. Sargent provided some background on the history of past internal audit function at MATC, as well as lengthy vacancies in the CFO and Controller positions recently. He shared some of the concerns he has found since his employment with MATC, indicating that these concerns are being addressed as quickly as possible.

There was discussion regarding some upcoming retirements within the Finance Division staff, and the need for quality replacement of these individuals in order to ensure the necessary level of expertise.

Mr. Sargent shared information on the MATC Procurement Card program, which has recently moved from the test phase into full implementation. He noted that although WTCS has rebate program in place with US Bank, who handles the procurement card program, MATC has not yet met the minimum required for the rebate.

He also provided information on the upcoming Campus Card program, ensuring the Committee that controls will be in place throughout the process. He voiced complete confidence in MATC’s manager of procurement, who has full understanding of the requirements of purchasing, and is proactive in guaranteeing that the appropriate bid process is used for all large purchases.

Mr. Maierle shared that, in his opinion, there tends to be a sense of apprehension among MATC Board members when it comes to financial information. An enormous amount of information is shared with the MATC Board, not all of whom have a background in accounting or finance, and it is difficult to sift through the information and make informed decisions. This is further influenced by the fact that, as a public institution, all such information is public information. However, Mr. Maierle noted his absolute confidence in the current administrative team, and their ability to ensure that the information is communicated clearly and precisely, and that the information has been fully reviewed for accuracy.

EXTERNAL AUDIT MATTERS

Ms. Renee Messing and Mr. Steve Henke, of Virchow Krause & Company (VK), shared their background and experience as it relates to governmental accounting, as well as a brief history of Virchow Krause & Company. They provided background information of VK’s relationship with MATC, dating back to the Spring of 2001, with a five year contract (with optional 1 year extension).

They shared information on the audit process, which typically begins with a preliminary meeting in May, followed by field work, and wrap-up in the fall. And overview of the scope of the audit, timing, percentage of time spent on each focus, etc. was provided.
It was determined that representatives from Virchow Krause would attend two of the Advisory Audit Committee’s quarterly meetings, just prior to the commencement of the audit, and following the completion of the audit. However, open communication between this Committee and both Ms. Messing and Mr. Henke is strongly encouraged.

Ms. Messing shared their policy of involving a minority firm in their audit process, noting they enlist the assistance of a minority accounting firm for approximately 80 hours of assistance throughout the engagement. She noted that they are currently seeking out a new firm who will provide assistance with the preliminary audit work, etc. It was noted that this firm works under the direction of Virchow Krause, and that the services of this secondary firm are included in Virchow Krause’s annual retainer.

Ms. Messing shared information on the Channel 10/36 Friends audit. Although the Friends audit is performed by another audit firm, information from that report is included in the Milwaukee Public Television (MPTV) station report, which is performed by Virchow Krause. Typically, the Friends audit is issued in the October/November time frame, followed by the MPTV report. For the 2004 fiscal year, the Friends audit was not issued until March 2005, resulting in the reporting of MPTV in April 2005. MATC filed monthly extensions for the Corporation for Public Broadcasting (CPB) reporting, and although there were no overall financial ramifications, it did cause delay in receipt of some of MATC’s CPB funding.

INTERNAL AUDIT MATTERS

Since the elimination of MATC’s internal audit function back in 2001, there has been one internal report completed. Gladys R. Wilson & Associations, under the direction of Steven Pawlow, performed a review of the Student Activity Fund, whose final report was shared with the Committee.

Members shared opinions, based on their background and expertise on how MATC may wish to proceed with the internal audit function. Suggestions were made as to the staffing (individual vs. team), funding, scope, reporting relationship to the board, etc. of this function. On the issue of funding such a position, the use of accounting students was discussed, noting that partnering with other institutions, and utilizing their student population, rather than MATC students, would avoid any potential conflict that may arise.

The Committee discussed the current administrative data system software used at MATC, in comparison with two other administrative systems used throughout the WTCS system. Mr. Sargent shared that a new steering Committee has been formed to review the current system capabilities, look at data warehousing options, etc.
COMMITTEE CHARTER, INTERNAL CONTROLS & RISK MANAGEMENT, QUESTIONS & CONCERNS, FUTURE MEETINGS & AGENDAS, ETC.

Mr. Piotrowski asked for comments, questions, suggestions to the proposed charter for the Advisory Audit Committee. It was suggested that the term ‘affiliate’, as stated in item 3.2, be further defined, to avoid conflicts that may exist.

Attorney Brown shared information on state statutes governing open meetings and public records. She asked Committee members to be conscious that communication between any four-member quorum of this Committee, whether formal or social, may require notice as an open meeting, and all written communication, including ongoing e-mail dialogue, constitutes a public record and sometimes such e-mail dialogue constitutes a meeting.

Members should retain all paper and electronic files pertaining to this Committee, or ensure that all such information is forwarded to MATC’s office of legal counsel.

Members are advised to contact Robert Hartung, Vice President of MATC College Advancement, regarding any communication requests from the media. The administration will forward Mr. Hartung’s contact information to the Committee.

OLD BUSINESS / NEW BUSINESS

Future Meeting Dates:

    Wednesday, August 17, 2005 at 9:00am
    Tuesday, November 8, 2005 at 9:30am

ADJOURNMENT

The Committee adjourned at 1:16 p.m.

Respectfully submitted,

Caryn Dohring
Administrative Specialist
Milwaukee Area Technical College (MATC)
Advisory Audit Committee Charter*

1. **Overall purpose/objectives**
The MATC Advisory Audit Committee (the “Committee”) is appointed by the MATC Board of Directors (the “Board”) to assist it in discharging the Board’s oversight responsibilities. The Committee will assist the Board in its responsibility to oversee the financial reporting process to ensure the balance, transparency and integrity of published financial information. The Committee will also assist the Board in reviewing: 1) the effectiveness of the institution’s internal financial control and risk management system; 2) the effectiveness of the internal audit function; 3) the independent audit process, including recommending the appointment and assessing the performance of the external auditor; and 4) the institution’s process for monitoring compliance with laws and regulations affecting financial reporting and its code of conduct.

2. **Authority**
The Board authorizes the Committee, within the scope of its responsibilities, to:

2.1 Perform activities within the scope of this MATC Advisory Audit Committee Charter (the “Charter”).

2.2 Engage independent counsel and other advisers, as it deems necessary to carry out its duties.

2.3 Have unrestricted access to members of management, faculty and employees as well as to all books, records, and facilities of the institution.

2.4 Establish procedures for the receipt, retention and treatment of complaints received from employees regarding accounting, internal accounting controls or auditing matters.

2.5 Be directly responsible for recommending the appointment, compensation, retention and oversight of the work of the external auditor to the MATC Finance, Personnel and Operations (FPO) Committee and the MATC Board.

2.6 Review and recommend for FPO Committee and MATC Board approval the policies for the provision of non-audit services by the external auditors [and, when required, the framework for pre-approval of such services].

* Note: The template for this Charter was taken from:
3. **Organization**

**Membership**

3.1 The Board will **appoint** the Committee members and the chairman of the Committee.

3.2 The Committee will be comprised of the MATC FPO Committee Chair, who will serve as the Committee Chair; the MATC Board Chair; and at least three (3) and no more than five (5) other members. **All Committee members shall be independent.** Members will be considered independent as long as they do not accept any consulting, advisory, or other compensatory fee **from MATC** and are not affiliated persons of MATC, its subsidiaries and management and its internal and external auditors.

3.3 A quorum of any meeting will be four members.

3.4 Each non-MATC Board member should have skills and experience appropriate to public accounting and/or to the education or governmental sectors.

3.5 A majority of Committee members shall be “financially literate.” Financial literacy is defined as being able to read and understand fundamental financial statements.

3.5.1 If possible, include one member who is a “financial expert” as it is defined by Sarbanes: a “financial expert” is a person who has an understanding of generally accepted accounting principles and financial statements; the ability to assess the application of these principles in connection with accounting for estimates, accruals and reserves; an understanding of Committee functions; experience preparing, auditing, analyzing or evaluating financial statements, or experience actively supervising persons engaged in such activities; and an understanding of internal controls and procedures for financial reporting. The person must have acquired these attributes through one or more of the following: education or experience actually doing these functions or similar ones; actively supervising someone who is performing these functions or similar ones; experience overseeing or assessing the performance of companies or public accountants who are preparing, auditing or evaluating financial statements; or other relevant experience.

3.6 Members will be appointed for a three-year term of office.
Meetings
3.8 Four (4) members of the Committee will constitute a quorum for the transaction of business.

3.9 As part of its responsibility to foster open communication, the Committee shall provide sufficient opportunity for the independent external and internal auditors to meet privately with the Committee Chair and members of the Committee. The Committee Chair and members will meet with the independent external auditors and internal auditors [at least once annually] without management present. The independent external and internal auditors shall be invited to make presentations to the Committee as appropriate.

3.10 Meetings shall be held not less than four times a year and should correspond with the organization’s financial reporting cycle.

3.11 Special meetings may be convened as required.

3.12 The Committee shall maintain written minutes of its meetings.

3.13 The administrative assistant to the Committee shall:

3.13.1 Circulate the agenda and supporting documentation to the Committee members a reasonable period in advance of each meeting.

3.13.2 Circulate the minutes of meetings to members of the Board, members of the Committee, (and the internal audit director and the external auditor where appropriate).

3.13.3 Convene a meeting upon receipt of a request by the external or internal auditors.

3.14 As a minimum, the chairman of the Committee [or another member of the Committee] shall attend the Board meeting at which the financial statements are approved.

3.15 The Committee should meet with in-house legal counsel on a regular basis. A meeting with outside legal counsel should be held if it is deemed necessary.

3.16 The Committee may invite others (e.g., the president, chief financial officer, internal audit director and external audit engagement partner) to its meetings, as it deems appropriate.

3.17 The Committee may want to consider requesting special reports on topics that may enhance their understanding of the institution’s activities. For example, topics could include: capital projects management, new business initiatives, technology, and other initiatives that affect internal controls.
4. **Roles and responsibilities**

With regard to each topic listed below, the Committee will:

**Internal controls**

4.1 Evaluate whether management is setting the appropriate ‘control culture’ by communicating the importance of internal controls.

4.2 Understand the internal controls systems implemented by management for the approval of transactions and the recording and processing of financial data.

4.3 Understand the controls and processes implemented by management to ensure that the financial statements derive from the underlying financial systems, comply with relevant standards and requirements, and are subject to appropriate management review.

4.4 Evaluate the overall effectiveness of the internal control framework and consider whether management has implemented recommendations made by the internal and external auditors.

4.5 Consider how management is held to account for the security of computer systems and applications, and the contingency plans for processing financial information in the event of a systems breakdown or to protect against computer fraud or misuse.

**Risk management**

4.6 Evaluate the overall effectiveness of the risk management framework.

4.7 Evaluate whether management is setting the appropriate tone at the top by communicating the importance of the management of risk.

4.8 Inquire of management, the internal auditor, and the independent external auditor about significant risks or exposures to the institution and how these are being managed.

**Financial reporting and disclosures**

4.9 Review significant accounting and financial reporting issues, including recent professional and regulatory pronouncements, and understand their impact on financial report.

4.10 Oversee the financial reporting process implemented by management.

4.11 Review as applicable: 1) the interim financial statements, 2) the annual financial statements, 3) the annual report, and 4) the audit report on federal awards that is required under Office of Management and Budget.
4.12 Review management’s process for ensuring the transparency of the financial statements and the completeness and clarity of the disclosures.

4.13 Meet with management and the external auditors to review the financial statements, the key accounting policies, the reasonableness of significant judgments, and the results of the audit.

4.14 Discuss with the independent external auditor the alternative treatments of financial information within generally accepted accounting principles as well as the ramifications of the use of such alternative treatments.

4.15 Confirm with management and the independent external auditor that the annual financial statements disclose all material off-balance sheet transactions, arrangements, obligations, and other relationships of the institution with unconsolidated entities, or with people that may have a material effect on financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses.

Compliance with laws and regulations

4.17 Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management’s investigation and follow-up (including disciplinary action) of any fraudulent acts or non-compliance.

4.18 Obtain reports concerning financial fraud resulting in losses in excess of $10,000 or involving a member of senior management.

4.19 Obtain regular updates from management and the organization’s legal counsel regarding compliance matters that may have a material impact on the organization’s financial statements or compliance policies.

4.20 Be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements.

4.21 Review the findings of any examinations by regulatory agencies.
Working with independent external auditors

4.22 Have the independent external auditor report directly to the Committee.

4.23 Review of the professional qualifications of the independent external auditor (including the background and experience of the engagement partner and auditing personnel).

4.24 Consider the independence of the auditor as well as potential conflicts of interest. Also assess the independence of the independent external auditor under Government Auditing Standards.

4.25 Review on an annual basis the performance of the external auditors and make recommendations to the Board for their appointment, reappointment or termination.

4.26 Be responsible for recommending the compensation of the external auditor.

4.27 Review the proposed audit scope and approach for the current year in light of the institution’s present circumstances and changes in the regulatory environment.

4.28 At the end of the audit:

4.28.1 Review required communications from the external independent auditors.

4.28.2 Discuss with the external auditor the quality and appropriateness of the institution’s accounting policies as well as the consistency of their application and the degree of aggressiveness or conservatism in applying them.

4.28.3 Discuss with the external auditor any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information.

4.29 Ensure that significant findings and recommendations made by the external auditors and management’s proposed response are received, discussed and appropriately acted on.

4.30 Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately. Ensure that the auditors have access to the chairman of the Committee when required.

4.31 Review policies for the provision of non-audit services by the external auditor.

4.32 Ensure that the organization has appropriate policies regarding the hiring of audit firm personnel for senior positions after they have left the audit firm.
Working with internal auditors

4.33 Review the independence, qualifications, activities, resources and structure of the internal audit function and ensure no unjustified restrictions or limitations are made.

4.34 Review and concur with the appointment, reassignment, promotion or dismissal of internal auditors.

4.35 Review the effectiveness of the internal audit function and ensure that it has appropriate standing within the organization. Discuss with the external auditor the standard of work of internal audit staff.

4.36 Meet separately with the internal auditors to discuss any matters that the Committee or internal auditors believe should be discussed privately.

4.37 Ensure that significant findings and recommendations made by the internal auditors and management’s proposed response are received, discussed and appropriately acted on.

4.38 Review the proposed internal audit plan for the coming year [or the multi-year plan] and ensure that it addresses key areas of risk and that there is appropriate coordination with the external auditor.

4.39 Receive prior to each meeting a summary of findings from completed internal audits and the status of implementing related recommendations.

4.40 Receive a progress report on the internal audit plan with explanations for any deviations from the original plan.

4.41 Review periodically the internal audit charter for necessary changes.

Complaints and ethics

4.42 Ensure procedures for the receipt, retention and treatment of complaints about accounting, internal accounting controls or auditing matters.

4.43 Review the code of conduct to ensure that it: 1) is easy to access, 2) widely communicated, 3) is easy to understand and implement, 4) includes a confidential mechanism for reporting code violations, 5) enforced, 6) includes a conflict of interest policy and guidelines, 6) includes the name of a contact for questions.

4.44 Review the conflict of interest policy to ensure that: 1) the term “conflict of interest” is clearly defined, 2) guidelines are comprehensive, 3) annual signoff is required, and 4) potential conflicts are adequately resolved and documented.

4.45 Require appropriate disclosure of related party transactions, including an annual accounting.
Reporting responsibilities
4.46 Regularly update the FPO Committee and the MATC Board about Committee activities and make appropriate recommendations.

4.47 Ensure the Board is aware of matters that may significantly impact on the financial condition or affairs of the business.

4.48 Prepare any reports requested by the Board (e.g., a report on the Committee’s activities).

Evaluating performance
4.49 Evaluate the Committee’s own performance, both of individual members and collectively, on a regular basis.

4.50 Assess the achievement of the duties specified in the Charter and report the findings to the Board.

4.51 Review the Charter annually and discuss any required changes with the Board.

4.52 Ensure that the Charter is approved or re-approved by the Board annually.

5. Insurance and expense reimbursement
5.1 Liability insurance of MATC will cover Committee members for their work on behalf of the College as outlined in this Charter.

5.2 Expenses incurred by Committee members in carrying out their roles and responsibilities consistent with this Charter will be reimbursed by MATC.

Adoption of Charter
The MATC Board of Directors adopted this Charter on ___________________________, 2005.
MATC Technology Project Management Process

I. Problem is identified
II. Research is done into possible solutions
III. Solution is proposed
IV. Statement of Work is written and signed by relevant employees
   a. Project description
   b. Benefits
   c. Functional requirements
   d. Process description
   e. Scope
   f. Additional assumptions and constraints
   g. Risks
   h. Project milestones, timeline, and estimated costs
   i. Overview of project calendar
   j. Approvals
V. Statement of Work is approved by:
   a. VP of Finance
   b. Project Sponsors and leaders
   c. 212Para is informed if appropriate
VI. Project work begins
VII. Records are kept of time and materials expended for the project
VIII. Time and materials are charged to the project, including MATC employee time
IX. Project Status and project modifications are reported to Project Sponsors, leaders and VP of Finance
X. Project outcomes are achieved
Statement of Work

Blackboard/Datatel Integration

Revision: 1.0  Academic Affairs Division  07/11/05
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## Project Summary

### Project Objective

**Objective 1:**
To insure the integrity of college data as pertains to Blackboard, active users and courses in Blackboard must be synchronized with the official college data as found in Datatel.

**Objective 2:**
To automate the creation of users, classes, and enrollments.

### Business Problem
Present manual processes for course and user creation and student enrollment does not allow for consistency or integrity of college data and requires substantial time and manual effort.

### Expected Benefits
Automating the many manual Blackboard processes will free up System Administrator, faculty, and support personnel time for other tasks more directly related to academics and will allow for a higher level of support.

- Data in Blackboard will match the official college data in Datatel.
- All courses, whether distance or face-to-face, are created in Blackboard and students who are registered in COSMO are enrolled in those Blackboard courses. This has been shown to significantly increase usage of Blackboard and online components to support learning in all classes.
- Systems administrators benefit from simplified, integrated system management, freeing up more time to better service their constituents such as by assisting faculty in their development of curriculum.
- Students in all classes, whether they are distance or face-to-face, are able to access content 24/7.
- Automation (and definition of set processes) will cut down on the frustration inherent in faculty having to ask someone to create/copy/delete courses of for help enrolling students in classes.
- Faculty who are hesitant to begin using Blackboard will not have to go through the work and public commitment of asking for a course to be created and for students to be enrolled. This will be done automatically and they can use it when and how much they wish without others needed to be aware of their decision.

### Costs

<table>
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<th>Description</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Estimate of total MATC employee costs: @ $75/hour</td>
<td>$39,750</td>
</tr>
<tr>
<td>Estimate of total consulting costs – Hours ($36,980) + travel ($4,200) + Integration and Customization Support ($6,500)</td>
<td>$47,680</td>
</tr>
<tr>
<td>Total project costs</td>
<td>$87,430</td>
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</tbody>
</table>
Project Description

Blackboard consultants will work with MATC personnel in order to automate processes such as the creation of courses and users and enrollment of students and faculty into courses through the use of the official data contained in Datatel. Waukesha County Technical College and Gateway Technical College have both gone through similar processes and have been very helpful in answering questions and discussing their experiences.

1. Blackboard consultants will lead a process that will help MATC personnel define processes and policies, e.g. How long to keep courses in the Bb system after the end of the semester, What the rules are for students who don’t pay, When to make courses available, What format to use for the course IDs, etc.

2. Blackboard consultants will give MATC programmers a guide document defining the required headers for the flat files they will be creating from COSMO. These files are much like the files MATC programmers are already creating for use in the Manual Batch Create of users done daily in Blackboard.

3. Blackboard consultants will install the “Snapshot” data integration software which will automatically load the information provided in the flat files into Blackboard. Blackboard consultants will also configure the snapshot controller to run the processes.

4. Blackboard consultants will train the Blackboard system administrator and server administrator to run the snapshot processes manually when necessary and will guide these personnel with the creation of documentation in order to allow the MATC personnel to implement the project without Bb consultants whenever the college decides to "go live."

Diagram:

- COSMO
- LDAP Server
- Batch processes written by MATC IT with guidance from Bb consultants
- Flat files containing info needed by Bb
- Programs provided by Bb consultants to automatically move flat file info into Bb
- Bb
## Benefits

<table>
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<tr>
<th>Benefit Description</th>
<th>Outcome Value (tangible or intangible)</th>
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<tbody>
<tr>
<td>Data in Blackboard will match the official college data in Datatel.</td>
<td>There will be integrity of college data preventing legal, ethical, technical, and managerial confusion and/or problems.</td>
</tr>
<tr>
<td>All courses, whether distance or face-to-face, are created in Blackboard and students who are registered in COSMO are enrolled in those Blackboard courses. This has been shown to significantly increase usage of Blackboard and online components to support learning in all classes.</td>
<td>The college will make better use of the technical resources it is paying for and will be seen as a forward thinking institution. This may lead to greater enrollments.</td>
</tr>
<tr>
<td>Systems administrators benefit from simplified, integrated system management, freeing up more time to better service their constituents such as by assisting faculty in their development of curriculum.</td>
<td>Better service and increased services for curriculum development can lead to better courses, more satisfied students and thus greater enrollment.</td>
</tr>
<tr>
<td>Students in all classes, whether they are distance or face-to-face, are able to access content 24/7.</td>
<td>Increased student learning and satisfaction and thus greater enrollment.</td>
</tr>
<tr>
<td>Automation (and definition of set processes) will cut down on the frustration inherent in faculty having to ask someone to create/copy/delete courses of for help enrolling students in classes.</td>
<td>Faculty satisfaction</td>
</tr>
<tr>
<td>Faculty who are hesitant to begin using Blackboard will not have to go through the work and public commitment of asking for a course to be created and for students to be enrolled. This will be done automatically and they can use it when and how much they wish without others needed to be aware of their decision.</td>
<td>Faculty use of the technology hopefully leading to student satisfaction and thus greater enrollment</td>
</tr>
</tbody>
</table>
Functional Requirements

Blackboard consultants will work with MATC personnel to automate processes for movement data from Datatel to Blackboard. The number of files and descriptions of each file will be created during the consultation time with the Blackboard personnel. These files are dependent on the policy decisions made during the first part of the consulting session.

Process Description

- Manual batch creation of users (both students and faculty/staff)
- Manual creation of courses
- Manual deletion of courses
- Manual enrolling of students into courses
- Manual dropping (un-enrollment) of students from courses
- Manual copying of content from one course to another
- We have no process to delete users at present which is the reason that at present we have 164,367 users in Blackboard.

Scope

The Project Scope includes automation of the following processes:

- Creation of users
- Creation of courses
- Enrolling of students into courses
- Assignment of faculty to courses
- Dropping of students from courses
- Un-assignment and reassignment of faculty to courses
- Deletion of users
- Archiving and Deletion of courses

The Project Scope Excludes (Out of Scope):

- Automation of the loading of faculty content, including course cartridges, into course shells
# Additional Assumptions and Constraints

**Assumptions:**
- Business and IT resources will be available and will provide timely response
- Blackboard consultants are available when requested

**Constraints:**
- Annual Fee of $6,5000 for Integration and Customization Support must be paid for at the same time as the project

## Risks

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<th>Risk</th>
<th>Impact</th>
<th>Probability</th>
<th>Mitigation Strategy</th>
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<tr>
<td>As the Blackboard materials state, “It is important to note that those individuals with direct responsibility for the integration tools and processes must be fully committed during these two weeks.”</td>
<td>High</td>
<td>Medium</td>
<td>Care must be taken to choose dates for the consulting times that minimize the risk of other duties requiring project necessary personnel’s time. Commitment must be made to minimize absence during the time consultants will be present. Costs for their time will add up quickly.</td>
</tr>
<tr>
<td>Inability to obtain the input of necessary individuals regarding policy decisions that must be made during the consultants’ time.</td>
<td>High</td>
<td>Medium</td>
<td>As many of the policy decisions as possible will be discussed prior to the arrival of the consultants.</td>
</tr>
<tr>
<td>Changing requirements</td>
<td>Medium</td>
<td>Medium</td>
<td>Sign off will be required for policy decisions</td>
</tr>
<tr>
<td>New technical issues that will require unavailable Technical Services time/support</td>
<td>High</td>
<td>Medium</td>
<td>Understanding of priorities between sponsor and IT</td>
</tr>
<tr>
<td>“Going live” in January, 2006, without a full semester pilot may cause problems that will severely effect all courses using Blackboard</td>
<td>High</td>
<td>Medium</td>
<td>Testing on the test server will begin as soon as the Blackboard consultants leave. If problems continue the “go live” date will need to pushed up to June, 2006, for the summer session.</td>
</tr>
<tr>
<td>Information Technology Consultants may need to be changed during the project due to work conflicts and this may lengthen the programming time needed to complete the Datatel portion of the project.</td>
<td>Medium</td>
<td>Low</td>
<td>Effort should be made at the beginning of the project to identify an Information Technology Consultant who can be involved for the required time.</td>
</tr>
</tbody>
</table>
### Project Milestones, Timeline and Estimated Costs

|                             | Blackboard consultant hours @ $215/hour | MATC total hours; IT and Business resources @ $75/hour | Betsy Rezel | Mark Trask | George Gormley | Mike Gavin | Tom Baas | Rich Busalechi | Registrar rep. | faculty rep. | Mary Thomas | Jim Walsh | Carol Ebert | Helpdesk rep. | Pam Curtin |
|-----------------------------|----------------------------------------|-------------------------------------------------------|-------------|------------|----------------|------------|---------|----------------|----------------|--------------|------------|----------|------------|-------------|------------|-----------|
| Research and preparation    |                                        |                                                       | 33          | 24         | 2              | 4          | 2       | 1              |                |              |            |           |            |             |           |
| Process Definition          |                                        |                                                       | 32          | 128        | 16             | 16         | 4       | 16             | 16             | 16           | 4          | 4         | 4          |             |           |
| Solution Implementation     |                                        |                                                       | 60          | 112        | 24             | 16         | 4       | 24             | 16             | 24           |            |           |            | 4          | 4          | 4          |
| Administrator Certification (training) |                                   |                                                       | 40          | 40         | 20             | 4          |         | 4              |                |              |            |           |            |             |           |
| Production Preparation      |                                        |                                                       | 40          | 100        | 20             | 20         | 20      | 20             |                |              |            |           |            | 20         | 20         |
| Project Testing             |                                        |                                                       | 16          |            | 8              |            |         | 8              |                |              |            |           |            |             |           |
| Pilot Implementation        |                                        |                                                       | 25          | 20         |                | 4          |         | 4              |                |              |            |           |            | 1          | 1          |
| College-wide Communication  |                                        |                                                       | 44          | 36         | 4              |            |         | 4              |                |              |            |           |            |             | 4          |
| Live Project Implementation |                                        |                                                       | 16          | 7          | 7              |            |         | 1              |                |              |            |           |            | 1          | 1          |
| Maintenance and project evaluation |                                   |                                                       | 16          | 8          | 6              |            |         | 2              |                |              |            |           |            |             | 2          |
| **Total**                   | **172**                                | **530**                                               | 183         | 2           | 56             | 6          | 105     | 21             | 16             | 16           | 64         | 4         | 49         | 4          | 4          |
| **Cost**                    | **$36,980.00**                         | **$39,750.00**                                        |             |             |                |            |         |                |                |              |            |           |            |             |           |
Overview of Project Calendar

Phase 1  May – September, 2005
   Research and preparation by MATC personnel

Phase 2  September, 2005
   Blackboard consultants on site
      o  Process definition
      o  Solution implementation
      o  Administrator certification (training)
      o  Production preparation

Phase 3  October – December, 2005
   Project testing, mini-pilot, and college-wide communication

Phase 4  January, 2006
   Project Implementation
**Approvals**

I approve the contents of the Statement of Work and agree that all changes in Scope, Functional Requirements and Deliverables will be handled via change documentation.

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark Trask</td>
<td>Project Sponsor</td>
<td></td>
</tr>
<tr>
<td>James Walsh</td>
<td>Executive Sponsor</td>
<td></td>
</tr>
<tr>
<td>Betsy Rezal</td>
<td>Project Manager/Leader</td>
<td></td>
</tr>
<tr>
<td>Mary Thomas</td>
<td>Information Technology Consultant</td>
<td></td>
</tr>
<tr>
<td>Thomas Baas</td>
<td>UNIX Systems Support Manager</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Blackboard Consultant</td>
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</tr>
</tbody>
</table>
The AICPA Audit Committee Toolkit: Government Organizations

Audit committees have a big job to do in an organization—tough when the members have other responsibilities and the audit committee role is a part-time job with huge accountability. **The AICPA Audit Committee Toolkit: Government Organizations** is the needed help for audit committees to do the job they need to do as effectively and efficiently as possible. Providing these tools in the public interest, the AICPA, with the generous support of our sponsors, endeavors to help audit committees, internal auditors, and the leaders of the financial management organization execute corporate governance. **Permission is granted to download the tools below and tailor or customize for internal use. Note: Please retain the AICPA copyright notice that appears at the bottom of each document.**

- Audit Committee Charter Matrix
- Summary of Unique Items
- Conducting an Exec. Session
- Engaging External Resources
- Hiring the Chief Audit Executive
- Sample RFP: Non-Public Orgs
- Peer Review of CPA Firms
- Internal Control: a Primer & Tool
- Audit Committee Financial Experience

**Considerations**

**Acknowledgements**

We want to thank several of our members who participated in creating the **AICPA Audit Committee Toolkit: Government Organizations**. First, the task force who created the tools and made sure they were appropriate for use at all levels of government, and the organizations that employ them for allowing the time necessary to participate in this project. Combined, the task force members have vast knowledge of working in government at all levels and their input has been invaluable.

A special thanks to Debbie Davenport, who chaired the task force, and for allowing her colleague Randy Roberts to participate on the task force as well. Randy’s depth of technical knowledge is outstanding and he reviewed each tool several times to ensure they are technically accurate and useful.

Finally, to our staff colleagues, Pam Green, Emanuela LiMandri, Marie Bareille, Michael Doyle and Karen Coutinho, and others, each of whom brought their personal skills and knowledge to make the publication of this Toolkit happen. We are grateful to these members and staff for their help and and their willingness to make this Web site available in support of the public interest.

**Government Audit Committee Toolkit Task Force**

Debra Kay Davenport, CPA (Chair) 
Joanne Griggs, CPA 
Office of the State Auditor 
City of Virginia Beach 
Phoenix, AZ 
Virginia Beach, VA 
Frank Crawford, CPA 
Randy Roberts, CPA

**Related Products & Resources**

- The AICPA Audit Committee Toolkit
- AICPA Publication Conference Board

**National Association of Corporate Directors (NACD)**
Covers all postemployment benefits other than pension benefits (medical, dental, life, etc)

Covers compensation for services not incentives to terminate services

If premium is 100% paid by retired employee no OPEB calculation is required

Currently reported on a pay as you go basis

Intent is to recognize OPEB over the employees' years of service

Intent is to also measure the annual cost & the funding of OPEB

Done on an actuarial basis
  Consideration given to mortality, health care costs, turnover
  health insurance premiums

Done Biennially for plans with 200 or more members

The past Unfunded actuarial accrued liability (UAAL) should be amortized
  using a level amount or level percentages over a period not to exceed 30 years

Recognize expense regardless of amount paid

Disclosures similar to Pension disclosures

RSI would include trends & progress in funding the plan

MATC Impact

Implemented years beginning after December 15, 2005

MATC old estimate (2001) $48 mil $29 for active $19 for retirees
  annual pay as you go $2.3 mil

Any current update on OPEB Liability that can be share with this committee?

Current health care costs and any reserves set aside or any reserve calculations?

Consideration must be given during contract negotiations to OPEB liability and all other benefits. Decreasing benefits, capping benefits, etc

Methods of funding
  Pay as you go (remember Milwaukee County)
  Funding with a bond issue similare to WRS