DeKalb County Board of Education Audit Committee Meeting May 28, 2026

Internal Audits & Compliance
Chief of Staff Division
Joel B Thibodeaux, Executive Director

DeKalb County School District

PRESENTATION AGENDA

1. Forensic Audit Briefing

Firm, Scope, Methods, & Timeline

2. ESPLOST Corrective Actions Implementation Update

DeKalb County Board of Education Audit Committee Meeting May 28, 2026

Forensic Audit Briefing

Presented by: Joel Thibodeaux – Director of Audits & Compliance

Audit Purpose & Vendor Selection

Following the Federal indictment of former Superintendent Dr. Devon Q Horton, the DeKalb County Board of Education authorized an Independent forensic audit to investigate all purchase card and vendor contracting activity conducted during Dr. Horton's tenure as Superintendent.

The Scope of the audit includes all purchase card transactions conducted by the Superintendent, the Superintendent's Office, and senior staff who joined DCSD as part of Dr. Horton's leadership team.

Audit Scope

Details of the Initial Audit Scope:

- **The audit's Scope Period is July 1, 2023 through October 10, 2025. The scope period applies to the time frame when purchases, agreements, and contracts were initiated. Business activity related to those transactions is being examined through to final activity.**
  - **Full forensic examination of All DeKalb County School District purchasing card accounts for the purpose of detecting and identifying any non-compliant or fraudulent use for personal gain or provision.**
  - **Full forensic examination of executed Independent Contractor Agreements (ICAs) for professional services and executed Contracts for change orders to capital, construction, and non-capital procurement in order to identify and investigate patterns of procurement and pricing non-compliance, and/or avoidance of preventive controls – flagging those contracts that fit within any such pattern.**
  - **Emails sent from and received at DCSD email addresses related to certain vendors, individuals, and other key topics mentioned in the indictment or related to activities similar to those outlined in the indictment, in addition to any communications related to possibly fraudulent or inappropriate Purchasing Card transactions.**
  - **Additional investigative actions to confirm or refute the existence of familial, social, or prior/existing professional relationship between the vendor and internal requestors, approvers, or key staff.**

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Directive Regarding Methods

- **Internal Audits & Compliance directed Plante Moran to examine the federal indictment (Case No. 1:25-cr-00654) to identify and investigate similar patterns of procurement and pricing non-compliance, and/or avoidance of preventive controls – flagging those contracts that fit within any such pattern.**

- **The engagement is managed by the Office of Legal Services and supported by Internal Audits & Compliance.**

Audit Deliverables

- Comprehensive Final Report that includes all findings and observations.

- The Plante Moran engagement also includes Expert Testimony, if necessary, to the list of deliverables.

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Initial Audit Timeline

- **Phase I – II (November 2025 – January 2026)**
  - Management/Planning
  - Data & Evidence Collection
- **Phase III (February – April 2026)**
  - Part 1 – Analysis of Credit Card Activity
  - Part 2 – Analysis of Contract Activity
  - Part 3 – Email Analysis
- **Phase IV: Reporting (May 2026, now adjusted)**
- **Approved for Not to Exceed $125,000**

Added Scope

- Expand email Review – 3 weeks for download, analysis, and update
- Interviews – up to 3 weeks, depending on scheduling

- Updated completion for **Phase IV: Reporting** is early July 2026.

- **BoE approved $200,000 Not to Exceed Amount for Added Scope**

DeKalb County Board of Education
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ESPLOST Corrective Actions Assessment Report

Presented by: Joel Thibodeaux – Director of Audits & Compliance
Contracted Auditors: CLA – CliftonLarsonAllen, LLP

Introduction & Background

In 2024, consultants from Plante & Moran performed a comprehensive audit of DeKalb County School District's E-SPLOST program. A formal report was provided to the District which included a summary of findings, along with recommendations for the District to improve its controls, policies, procedures, and oversight in an effort to enhance governance of future E-SPLOST programs.

The DeKalb Board of Education requested a 3rd Party assessment of corrective action development and deployment. CLA was engaged to assist the District with their organization, documentation, and remediation action plans in response to the Plante & Moran report.

Last reported on September 4, 2025, this update is "as of" May 1, 2026.

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Summary of ESPLOST Findings and Status of Corrective Actions

As of May 1, 2026

Finding	Finding Category	Activity Goal	Assessment or Solution Owner	Updated Status as of May 1, 2026	Verification / Evidence
1	Policies	Assess current status of Program Procedures Manual (PPM) development	**Erick Hofstetter**	**COMPLETED**	**Provided to District stakeholder via ORR on April 28.**
2	Project Spend Tracking	Assess current status of Project Spend Tracking and Reporting	**Lance McConkey**	**COMPLETED**	**Monthly reconciled SPLOST project reports.** **CLA Verified - obtained a copy of the Q3 2025 E-SPOLST VI monthly reconciliations to observe the new process taking place.** **CLA Verified - received a copy of the Financial Month End- FY25 Period 10 monthly checksheet to observe the new process taking place.**
3	Contract Procurement, execution, and monitoring	Assess proposed improvements to Capital Contract structure and management	**H. Eric Hilton**	**COMPLETED**	**The District has an operations steering committee (which includes the Legal department) that reviews and discusses project change orders, rationale, cost implications, project impact, and other relevant project factors. These meetings are recorded.**

DeKalb County School District

Summary of ESPLOST Findings and Status of Corrective Actions

As of May 1, 2026

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4	Records Retention	Assess status of the Digitization Project and Records Retention Policy	**Kermit Belcher / Glenn Melendez**	**IN PROCESS** (Q4 2027)	**Weekly progress meetings with digitization vendor, Docufree. Project progression documentation.** **Updated Retention Policy (CN:**
5	Vendor Selection	Assess current Capital Vendor selection process; Advise ongoing monitoring	**Yolonda Love**	**COMPLETED**	**Stand alone document submitted. Chiefs considering having it added to the PPM for ESPLOST project management.**
6	Purchase Approval	Assess current Purchase Order management process; Advise ongoing monitoring & internal auditing process	**Carla Smith**	**COMPLETED**	**CLA verified:** **If a project has been approved by the Board, and a vendor has been awarded, a blanket purchase order is created now, prior to any purchases. As expenses are entered, they are reviewed against the blanket purchase order to confirm they are applied appropriately and the relevant documentation has been uploaded and attached in Munis. Invoices are then applied to the blanket and the blanket balance is reduced. The Munis three-way-match capability (matching purchase order, invoice, and packing slip) is enabled.**

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Summary of ESPLOST Findings and Status of Corrective Actions

As of May 1, 2026

Finding	Finding Category	Activity Goal	Assessment or Solution Owner	Updated Status as of May 1, 2026	Verification / Evidence
7	Expense Review	Assess current Purchase Order management process; Advise ongoing monitoring & internal auditing process	**Carla Smith**	**COMPLETED**	**CLA verified:** **The process for "after-the-fact" purchases was changed; an "after-the-fact" document must be completed with an explanation as to why the purchasing process was not followed and appropriate supervisor signature is required. Training has been held for employees on blanket purchase orders and "after-the-fact" purchases.** **The Munis accounts payable (AP) workflow is established and in use.** **The Munis three-way-match capability (matching purchase order, invoice, and packing slip) is enabled.**
8	Internal Control	Implement a suite of preventative and detective controls to monitor the governance of SPLOST funds	**Joel Thibodeaux**	**IN PROCESS** (Q1 FY 2027)	**Could not be completed until new PPM was produced. It sets the standards to be assessed for control risks and subsequently monitored and audited. The framework was a CLA deliverable, but the PO was closed at the end of FY2025 and not encumbered. Will request that the remaining amount unspent be applied to the FY2027 budget for completion. In-house resources will be committed to the project if funding is not available.**

Summary of ESPLOST Findings and Status of Corrective Actions

As of May 1, 2026

Finding	Finding Category	Activity Goal	Assessment or Solution Owner	Updated Status as of May 1, 2026	Verification / Evidence
9	Change Orders	Assess proposed improvements to Capital Contract structure and management, focusing on mitigating District risks and costs	**Hans Williams**	**COMPLETED**	**CLA Verified - obtained a copy of the Amendment to Contract for Architectural Services form to observe the new amendment documentation/process taking place.**
10	Project Spending	Establish reconcilable "budget to actual" analysis and reporting by leveraging Munis capabilities	**Lance McConkey**	**COMPLETED**	**Monthly reconciled SPLOST project reports.** **CLA Verified - obtained a copy of the internal flowchart for approvals of amendments.** **CLA Verified - observed a contract within the Munis Contract Central module to confirm storage of contracts within the system.**
11	Final Inspection Documentation	Implement formal closeout process and documentation retention capabilities which meet requirements of the PPM.	**Hans Williams**	**IN PROCESS** (Q4 FY 2026)	**The components of the Closeout process, including Final Inspection Documentation have been developed. Final Checklist and District signoff documents are expected to be finalized and authorized by May 31, 2026.**

Follow-Up Questions or Concerns?

Audit Committee Requests for Additional Information

Office of Internal Audits & Compliance

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