

# Open Issues Report



## Summary of Recent Activity

### Open Issue Status since March 9, 2026 Audit Committee:

- Closed Issues = 8 findings
- Open Issues = 34 findings between April 2021 – March 2026
- New Issues (June 2026 Committee reports) = 18 new findings



## Open Issues by Audit Plan Year

Audit Plan Year	Current Count of Open Issues	Count of Open Issues March 2026	Change
2020	2	2	0
2021	3	5	-2
2022	1	3	-2
2023	6	9	-3
2024	1	1	0
2025	21	22	-1
<b>Total</b>	<b>34</b>	<b>42</b>	<b>-8</b>



## Issues Closed Since Last Audit Committee Meeting

- Issue R-21-04 Bus Operations and Safety - Securement Training
- Issue R-21-06-06 Fuel Costs – Pre- and Post-Fueling Checklists
- Issue R-22-06-02 Support Fleet – Policies and Procedures
- Issue R-22-06-03 Support Fleet – Opportunities to Right-Size Support Fleet
- Issue R-23-11-C Recruitment – Performance Indicators (*management accepts risk*)
- Issue R-23-11-E Recruitment – Leadership Strategy Sessions
- Issue R-23-11-G Recruitment – Process Expectations (*management accepts risk*)
- Issue R-25-05-05 Special Services – Employee Licensing Records



# Issues Reviewed and Remaining Open Since Last Audit Committee Meeting

## 23-03 1099 Reporting

- Issue R-23-03-01 Required 1099 Forms were not issued
- Issue R-23-03-02 Claim Vendors, Physicians and Attorneys were not sent a 1099

## Current Status:

Follow-up audits with a CPA conducted in 2023, 2024 and 2025 identified continuous improvement opportunities. Internal Audit has made additional recommendations:

- Management should consider outsourcing 1099 reporting to an accounting firm
- If Management does not outsource 1099 reporting, they should consider:
  - ✓ Specialty software to assist with 1099 compliance
  - ✓ Review the Supplier Master Information table within JD Edwards to ensure correct entity type
  - ✓ Employees responsible for preparing Form 1099 should attend extensive and recurring training on compliance

