

## Audit Committee Minutes

January 13, 2025

5:30 p.m.

Wappingers Jr HS - Room 105

John S. Morgan, Chairperson - Presiding

PRESENT: Mr. Morgan, Mr. Capollari, Mr. Odums (arrived 5:47 p.m.), Mr. McFarland, Christine Silva

ALSO PRESENT: Ms. Dainty, Ms. Pedro, and Jennifer George, RBT CPA LLP

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| Chairman Morgan called the meeting to order at 5:35 p.m.  | CALL TO ORDER                            |
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| 1.) Motion to approve the Audit Committee minutes from the November 2024 meeting.<br>Motion by Michael McFarland, second by Virgil Capollari<br>Yes: M. Morgan, M. McFarland, C. Silva<br>Not Present: K. Odums<br>Motion passed.   | APPROVAL OF MINUTES                      |
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| 2.) The Audit Committee reviewed the items that had recommendations in the Draft 2024-2025 Internal Risk Assessment conducted by RBT. Assistant Superintendent Dainty indicated that a draft Corrective Action Plan will be shared with the Audit Committee by the end of the week. Both the Report and the Corrective Action Plan will be provided to the full Board at the 1/27/25 Board meeting.<br><br>RBT was onsite at the District Office for 4 days with a team of 4 people; Teams of 2 conducted interviews of staff members. Each year the audit team follows up on recommendations made from the previous year.<br><br>Page 2 and 3 of the report provide an overview and background of what is required. Each area has a summary of conditions. Recommendations are provided to make things more efficient.<br><br>Below are the findings where recommendations were provided, as explained by the Auditor: | 2024-2025<br>INTERNAL RISK<br>ASSESSMENT |

## Audit Committee Minutes

Accounts Payable and Cash Disbursements (page 9) - Last year, it was noted that there are a lot of manual forms, which creates a greater opportunity for error. It was recommended that the district create more automation in forms. This is happening now. In addition, the claims auditor identified that the District was charged sales tax on Central Hudson bills dating back to 2021. The District received \$43,000 in credit from the energy provider.

Payroll and Personnel (page 10) - It was recommended that the District move to electronic timesheets, which is a repeat recommendation from last year. Some staff are using the biometric time clock; however, it is not a negotiated item with WCT, WTAA, STEPS, nor individual contract employees. SchoolFront was implemented in HR to automate timesheets. There is a meeting scheduled for Jan. 23 to discuss.

The auditor also noted that the HR Director spends approximately 90% of her time on employee “drama”. It was recommended that the District try to allocate some of those responsibilities to other staff members or utilize EAP or an interactive counseling service to try to alleviate the time spent on employee “drama”. HR has three personnel assistants and a new confidential secretary.

Mr. Odums arrived at 5:47 p.m.

Most of the issues are related to interpersonal problems and harassment. The Personnel Associate sits with the HR Executive Director during the investigations.

Regarding new hires and terminations, it was recommended that the District find a more automated system that includes a push notification between Payroll and HR.

Pay stubs are being mailed to some employees, such as substitutes and per diem employees. Our system does not have a payroll portal for employees to get pay stubs. The District is trying to give substitutes a district email to send them their pay stubs electronically.

Inventory Controls (page 12) - This area is the tracking of capital assets. During the testing, the auditors discovered a vehicle acquired in 2024 that was not added to the capital assets until after the school year. This

## Audit Committee Minutes

was a vehicle that was lease-to-own. The District updated the process so that when the department requests an insurance card for the vehicle, it will not be processed until they provide a pink addition form.

Food Service (page 14) - Staffing levels are improving. The Audit recommended the purchase of a generator at RCK to support the refrigeration system. This will allow for safe food storage and save approximately \$20,000 in food ending up as waste.

Extraclassroom Activity Funds (page 15) - Extra classroom clubs submit fundraising forms to the principals for approval; however, not everyone is good about completing the forms and the forms are not being sent to the Central Treasurer who should be informed of upcoming fundraising events. In addition, the approval of booster club fundraisers is not getting back to the booster organization. Ms. Dainty will remind the advisors and she will discuss this item at the next scheduled principal's meeting.

It was discovered that the RCK Central Treasurer uses two bank accounts at the same bank. One account will be closed out.

The final report for the Extraclassroom Accounts for the 2023-2024 school has yet to be completed by The Bonadio Group. Ms. Dainty will continue to follow up.

Other Considerations - Health Insurance (page 17) - The audit included a random selection of employees and retirees and compared the billing for health insurance. There were no discrepancies. There is a new employee handling health insurance and she is using several different spreadsheets that contain duplicate information. It was recommended that the District look to streamline the information and put it in NVision; and track the spouses in a spreadsheet.

Motion to forward the Internal Risk Assessment to the Board of Education on January 27, 2025.

Motion made by Keith Odums, second by Virgil Capollari

Vote: Motion Carried

Yes: John S. Morgan, Virgil Capollari, Keith Odums, Michael McFarland, Christine Silva.

## Audit Committee Minutes

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| Jennifer George left the meeting at 6:17 p.m.   |                                   |
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| 5.) The committee reviewed the log for receipt of financials and reports. Everything is up to date.   | REVIEW<br>TRACKING<br>SPREADSHEET |
|   |                                   |
| 6.) The committee reviewed the RFP rubric. The District is on schedule with issuing bids.   | REVIEW RFP<br>RUBRIC              |
|   |                                   |
| 7.) Adjournment   | ADJOURNMENT                       |
| The next meeting date is June 2 at the RCK Library.<br>Agenda items include: meeting the new audit firm; update on the Capital Fund forensic audit.   |                                   |
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| Motion to adjourn the meeting made by Michael McFarland, second by Virgil Capollari.<br>Vote: Motion Carried<br>Yes: John S. Morgan, Keith Odums, Michael McFarland, Virgil Capollari, Christine Silva.<br>The Audit Committee adjourned the meeting at 6:22 p.m. |                                   |

Respectfully Submitted,

Alberta Pedro  
District Clerk