

Audit Committee Minutes

November 19, 2018

Paul Galletta, Chairperson - Presiding

**DRAFT**

PRESENT: Mr. Galletta, Mr. Odums, Mrs. Rappaport, Mrs. Kelland (arrived 5:38 p.m.)  
ALSO PRESENT: Ms. Crandall, Ms. Pedro, and Wyoma Swackopff, RBT CPA LLP  
(arrived 6:03 p.m.), Sandra Strack (arrived 6:05 p.m.)

There was no one from the public present.

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Mr. Galletta called the meeting to order at 5:36 p.m.	CALL TO ORDER
1.) Minutes approved by consensus of the committee.	APPROVAL OF MINUTES
2.) Review Corrective Action Plan for External Financial Statements	CORRECTIVE ACTION PLAN
<p>The unrestricted fund balance of the General Fund is not to exceed 4%. The Audit for 2017-2018 shows an unrestricted fund balance which exceeds the 4% allowable limit. The Corrective Action Plan addresses the items that should have happened in 2017-18, including approximately \$3 million dollars which should have been spent for HVAC work and site work. We have approximately \$3 million dollars left to spend in 2018-19. Ideas include window and roof replacement. These were items included in the Capital Project however we can pay cash for some of these projects which will allow for more flexibility in the project to do other such work. These ideas will be shared with the Capital Improvement Committee.</p> <p>The District proposes transferring those funds (\$3 million) to Fund Balance to offset the work during Spring 2019.</p>	

Audit Committee Minutes

Overtaxing and not spending enough money are some examples of why there is an overage in fund balance. This year, there is a new requirement that the Board approves the Corrective Action Plan. This is planned for the December Board meeting agenda. The Audit Committee agreed to submit the Corrective Action Plan for board approval at the December meeting.

INTERNAL RISK ASSESSMENT DISCUSSION

The Committee discussed several items that could be reviewed for internal risk assessment audit. Some areas include BOCES Arts in Ed, facilities usage, bus stop review, and computer hardware inventory and tracking hardware.

The District Clerk provides an oversight role in the review of facilities usage. The schools are responsible for billing the organizations that use our facilities. The District Clerk developed a system to run a report to see which schools have not collected money on invoices which are past due.

The Committee discussed conducting an audit of the bus stop review process and the impact on expending money related to bus appeals. It was decided the due to a recent appeal going to the Commissioner of Education for review, the committee felt a review in this area would duplicate the work that will be done as the pending matter will be before the Commissioner soon.

The Committee discussed a review of the BOCES Arts In Ed funding. It was agreed that since there is a new Director, a review in this area would be too soon.

The Committee recommended a review of the facilities usage invoice process.

4.) Entrance Interview for the Internal Risk Assessment with Wyoma from RBT.

ENTRANCE  
INTERVIEW  
FOR INTERNAL  
RISK  
ASSESSMENT

## Audit Committee Minutes

<p>The audit is required by State regulations, as part of the original 5 Point Plan. There is a corrective action plan that gets filed when this audit is completed. There have been no major areas of deficiency. The auditors will be in district next week and will take 3-4 days. The process will include an interview with staff and Board members. There will be three members of the team who will visit the district. They will then ask for documents and look to see if they are actually doing what is indicated by the district.</p>	
<p>RBT was excused from the meeting at 6:10 p.m.</p>	
<p>3.) The committee reviewed the log for receipt of financials and reports.</p>	<p>REVIEW BOARD REPORT SPREADSHEET</p>
<p>The committee felt it was helpful to ensure that reports are being provided in a timely manner to the Board of Education. Chairman Galletta provided the new Audit Committee members with the background associated with the creation of the spreadsheet.</p>	
<p>4.) Kristen Crandall and Alberta Pedro were excused from the meeting. The time is 6:15 p.m. The Committee met with the Internal Claims Auditor to discuss matters related to personnel.</p>	<p>INTERNAL CLAIMS AUDITOR</p>
<p>The next meeting date is scheduled for February 5 (snow date: 3/5/19) at 5:30 p.m. at the District Offices.</p>	<p>NEXT MEETING DATE</p>
<p>The agenda for the February meeting will include: 1.) Draft AUP reports - Field Trips; 2.) Discuss the Draft Internal Risk Assessment and AUP area for 18/19 school year; 3.) Review Board Report Spreadsheet.</p>	<p>NEXT MEETING AGENDA</p>

Audit Committee Minutes

5.) Adjournment	ADJOURNMENT
The committee adjourned the meeting at 6:30 p.m.	

Respectfully Submitted,  
Alberta Pedro  
District Clerk