

Audit Committee Minutes

January 24, 2022

Remote via Zoom w/Live Stream

Marie Johnson, Chairperson - Presiding

**DRAFT**

PRESENT: Ms. Johnson, Mr. Odums, Mr. Morgan, Mr. Lumia, Christine Silva, Dawn Raymond

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

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Chairman Johnson called the meeting to order at 5:34 p.m.	CALL TO ORDER
1.) Motion to approve the Audit Committee minutes from the November 2021 meeting. Motion by John Lumia, seconded by Keith Odums Yes: M. Johnson, K. Odums, M. Morgan, J. Lumia, C. Silva, D. Raymond Motion passed.	APPROVAL OF MINUTES
2. ) The committee reviewed the log for receipt of financials and reports. Everything is up to date.	REVIEW TRACKING SPREADSHEET
2.) The Audit Committee reviewed the Draft 2021-2022 Internal Risk Assessment conducted by RBT. The report contained three different areas: what they are looking for; what they saw; and their recommendations.  Assistant Superintendent Crandall 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 2/7 board meeting.  Below are the findings, as explained by the Auditor: <u>Auditing (page 6)</u> - The exclassroom report was not completed on time. The Board is scheduled to receive the extraclassroom report on tonight's agenda.	2021-2022 INTERNAL RISK ASSESSMENT

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<p><u>Payroll and Personnel (page 10)</u> - This is the second year that there is an issue with the pay rate of an employee. The recommendation was made to review the pay rates to match the contractual language. This was an issue with step and the salary schedule which is an HR function. The other issue occurred when an employee who initially accepted a position was entered into the system after Board approval but then subsequently resigned before they started. This employee was not removed from the system and subsequently received a paycheck. The sample size was 7, so RBT will take a larger sample size next year based on the finding. Both issues were corrected by the Business Office and Human Resources and are addressed in the Corrective Action Plan. The HR department plans to hire an additional Personnel Assistant to manage the workflow.</p> <p><u>Extraclassroom (page 15)</u> - John Jay started using MySchoolBucks which created some reconciliation issues. There is one central account per school for clubs but it does not break out what money goes to which clubs. MySchoolBucks is a vendor who collects, remits, and does next day transfer of the money collected. Extraclassroom is a cash-based activity and MySchoolBucks offers a new way to electronically handle money and cut down on the inherent risk when dealing with cash transactions. The district plans to connect on a monthly basis with the Central Treasurer at John Jay until they are more comfortable with the recording and reconciling of funds from MySchoolBucks.</p> <p>RBT left the meeting at 6:00 p.m.</p>	
<p>3.) The Audit Committee reviewed some possible topics for review under Agreed Upon Procedures. The committee discussed HR Functions, Cafeteria, and Payroll compliance. The committee agreed that Cafeteria was not a good topic for AUP review since operations are standard this year due to the pandemic and the federal meal program for all students. The committee agreed that a review of HR may be premature at this time since they plan on hiring a new staff member to assist with the workload. The committee agreed that payroll compliance be selected as the focus area to review for AUP.</p>	<p>AGREED UPON PROCEDURES</p>
<p>4.) Motion to <i>enter executive session to discuss a specific matter related to the financial history of a particular organization.</i> <i>Second made by John Lumia.</i></p>	<p>EXECUTIVE SESSION</p>

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<i>Vote take: Unanimous.</i>	
<i>The committee will not take any further action and will adjourn the meeting after executive session.</i>	
Kristen Crandall and Alberta Pedro did not participate in Executive Session. Executive Session began at approximately 6:38 p.m.	
5.) Adjournment	ADJOURNMENT
The Audit Committee adjourned the meeting at 6:43 p.m.	

Respectfully Submitted,  
Alberta Pedro  
District Clerk