



November 24, 2015

Approved 3/8/2016

Mr. Robert Rubin, Chairperson - Presiding

PRESENT: Mr. Rubin, Mrs. Kelland, Mr. Soma, and Mr. Sloshower

ALSO PRESENT: Mrs. Crandall, Mrs. Pedro, and Jennifer George (Vanacore et.al.)

ABSENT: Mrs. LaValle, Ms. Herlihy

There was no one from the public present.

Mr. Rubin called the meeting to order at 7:01 p.m.

CALL TO ORDER

1.) Pledge of Allegiance

PLEDGE

2.) Mr. Soma moved, seconded by Mr. Sloshower, to approve the minutes of the September 16, 2015 meeting.

APPROVAL OF MINUTES

Vote taken. Unanimous approval.

3.) Entrance Interview with Internal Risk Auditor

INTERNAL RISK AUDITOR

Ms. George provided the committee with a background on the findings from last years' audit.

- a.) There were some policies that were missing.
- b.) The claims auditor was looking at copies of checks (blue printed checks without a signature and VOID written on them attached to the payment voucher) and not the actual checks.
- c.) Online banking policy
- d.) Petty cash accounts over \$100
- e.) Fingerprint clearance in personnel file
- f.) Payroll permissions access in the new system
- g.) Fixed assets disposal process being reflected in the inventory system
- h.) Recommendation to use the software to track the miles per gallon for the vehicles
- i.) Medicare tax not reflected in the Food Service Fund
- j.) Recommended training for Central Treasurers and the fundraising was not always approved in writing (with profit/loss statements)



Ms. George indicated that as part of the next assessment, they will review the areas where there were issues or potential weakness and move beyond that as well. The report will only address the findings in the current year. If it is still an issue, they will indicate they noted progress in this area.

They are on-site and ask questions. There are no areas of concern at this time. Ms. George will provide a draft risk assessment report on March 8, 2016.

Ms. George asked the committee if there were any areas of concern that the committee would like them to focus on.

Mr. Slosower asked about the extra-curricular activities process from last year with regard to the holding of money and not appropriately depositing the money. The minutes note a mandatory advisors meeting in October and Ms. Crandall confirmed that there have been three meetings held. Additionally, Agreed Upon Procedures as have been conducted annually for the past several years by the external audit firm.

Ms. Crandall suggested if the committee had any ideas for the risk assessment audit to email Mr. Rubin. Ms. Crandall offered to share her ideas by email.

Mr. Slosower asked about athletics regarding spending trends with regards to teams, for example equipment. Mr. Rubin clarified that would fall under general procurement policy. Mr. Slosower suggested in terms of facilities with regards to supplies for custodians – inventory control and spending.

Mr. Rubin asked about the verification of fuel usage by the Fire Departments. Ms. Crandall indicated that this is part of the reconciliation process with the Comptroller's Office. These organizations have their own key and their usage is logged. There is a billing process to charge the organizations for the fuel usage. The district and the departments are exempt from any license requirement for resale.

Mr. Rubin asked about food service and how children pay for meals. Ms. Crandall indicated there is a POS system where students can bring cash or parents can load their accounts. Any reimbursable meal must be tracked to a student by the system, by using the child's ID number.

Ms. George clarified that they are doing the risk assessment which is overall, but not an in-depth focus area testing. During the risk assessment they can take a look at the inventory.

Mr. Slosower suggested a Special Education review since it has been



some time since the last assessment was done. It was determined that this area be considered for next year since there has been a recent change in administration.

Mr. Rubin concurred that inventory control in the Facilities and Operations area be conducted.

Ms. Jennifer George was excused from the meeting.

4.) Review of 2014-2015 Draft External Audit Corrective Action Plan

CORRECTIVE ACTION PLAN FOR EXTERNAL AUDIT

The Corrective Action Plan addresses the two findings: payroll certification for the federal grants and the 4% fund balance.

Payroll certification was not done frequent enough. The process has been revised. The Business Office now sends out the sign off sheet to staff every payroll period. A checklist is maintained to track the return of the payroll certification for each employee paid by a federal grant. Federal grants total over \$5 million (611, 619, IDEA, NCLB Title I, II, III). Mr. Sloshower inquired about the PBIS and Common Core Institute Fellowship. Ms. Crandall stated that these are not federal grant awards.

Two reserves were created by resolution of the Board of Education last night. The report includes the creation of two reserve funds to meet the compliance of the December deadline. The Board will receive the Corrective Action Plan for review on 12/14.

5.) Finalize Discussion of Bonadio Agreed Upon Procedures for the 2015-2016 School Year

DISCUSSION ON AUP WORK

AUP (Agreed Upon Procedure) work was done previously on the Drama Club, the classes, the yearbook, and Student Council. It has been at least five years since the Welfare Trust has been looked at. The largest trusts are WFW, CSEA and the individuals, STEPS or WAA. Payments are made to WCT for some of these welfare trust funds so they will refer you back to them.

The district has requested the financial statements for the Welfare Trust. It has not been received yet.

Ms. Crandall suggested we look at the larger clubs (i.e.: drama or student government) or the Class of 2015. Discussion ensued by the committee members.



The Committee agreed by consensus that this year the AUP work will be on the Drama Clubs, specifically Roy C. Ketcham and Van Wyck Junior High School. Ms. Crandall will reach out to the Bonadio audit team.

6.) Review of Audit Committee Charter

AUDIT COMM
CHARTER
REVIEW

Mr. Rubin suggested that committee members be prepared to discuss thoughts on the charter at the next committee meeting. Ideas can be shared with Mr. Rubin prior to the next meeting by email.

Mr. Rubin likes the idea of having enhanced membership on the committee.

Mr. Slosower presented the idea that the public members who have been sworn in have equal voting rights on the committee. Mr. Rubin agrees that the language perhaps should be clearer.

Mr. Slosower proposed talking about more involvement from a financial standpoint on what is going on with taxpayer money. Ms. Crandall noted that the charter was based on the State Comptroller's template based on Alan Hevesi's five-point plan as to the roles and responsibilities of the Audit Committee. Any changes should be reviewed by the attorney and the State Comptroller's office prior to being recommended to the Board of Education. The Audit Committee has an oversight responsibility but cautions the Committee to not overstep the bounds of their legislative rights.

The next meeting date is March 8, with a snow date of March 15, 2016.

NEXT MEETING
DATE

The agenda for the March meeting will include: 1.) Review Draft Risk Assessment; 2.) Review Audit Committee Charter; 3.) Bonadio Audit of Drama Clubs of RCK and Van Wyck for 2014-2015

NEXT MEETING
AGENDA

Adjournment

ADJOURNMENT

Mr. Slosower moved, seconded by Mrs. Kelland, to adjourn the meeting.

Vote taken. Unanimous approval. Time is 8:01 p.m.

Respectfully Submitted,

/s/

Alberta Pedro, District Clerk