

# Onteora Central School District Audit Committee--Minutes

Meeting: May 14, 2018

Committee Members Present: Robert Curran, Drew Boggess, Kevin Salem, Wendy Wolfenson

Invited Guests: Victoria McLaren , Superintendent  
Monica LaClair, Assistant Superintendent for Business  
Debra D'Aprile, District Treasurer  
Michael Rossi, West & Co, External Auditors

- 1) Call to Order
  - a. 9:30 called to order
- 2) Attendance
  - a. All present
- 3) Approval of Minutes
  - a. Bob, Drew second, unanimous
- 4) External Audit – Michael Rossi, West & Company
  - a. Michael Rossi explained that they were in district today to start the preliminary audit field work for the 2017-18 audit. They will be testing payroll, cash disbursements, read board minutes and review the Extraclassroom
  - b. He then went on to explain that there is one new GASB that goes into effect this year for school districts and that is GASB75 which replaces GASB45 and changes how districts account for Other Post Employment (OPEB) Benefits on their financial statements. It will put huge districts in a huge deficit and add 6-7 pages of footnotes to the financial statements.
  - c. In addition to the general audit, West & Company will audit the Extraclassroom and do a single audit since the district receives more than \$750,000 in federal monies. The single audit is a compliance audit to make sure the district is using the monies as the federal government intended them to be used.

- d. The question was raised by Kevin Salem, whether GASB75 would change the way the financial statements were viewed by those that read them. Michael Rossi mentioned that day to day nothing changes, borrowing money hasn't changed and that it is only a problem is people just "looked at the number". The number is not part of the school district budget and is not part of day to day operation. New York schools are in a better position than other states, while even though the OPEB liability is high, per GASB68, the retirement funding through TRS and ERS are almost completely funded, unlike many other states.
  - e. Michael Rossi than requested that the Audit Committee review possible dates for review of the draft financial statements and a date in September/October when he could present to the Board. Monica LaClair and Deb D'Aprile will get dates to Michael Rossi, shooting for the Sept. 11, 2018 BOE meeting and a Committee meeting a week or so prior to that.
  - f. Bob Curran than asked if the auditors reviewed interest rates as that was a discussion he had at the BOCES level. Deb D'Aprile discussed how she reviews rates and moves money around. Currently NYLAF and TD are giving the best rates to the district. Unfortunately, Chase was not so the district pulled their money out of that account.
- 5) Corrective Action Plan
- a. Monica LaClair handed out the Corrective Action Plan from the 2016-17 Audit and reviewed the 2 findings. The first had to do with draw downs on grants. Grants are funded on a reimbursement schedule, first the district pays and then is reimbursed. A plan was made to review the expenditures and look to request reimbursement around January of each year, as sometimes it takes that long for the district to spend the money.
  - b. The second finding had to do with clubs that had no financial activity. A plan was put in place to discuss with Club Advisors who had funds but no activity during the year whether or not they were planning on using or accumulating funds. If not then the money would be moved into Student Council. Discussion ensued and it was decided that Deb D'Aprile and Monica LaClair will review current policies and procedures to make it more clear for the Board and the club advisors.
- 6) A meeting is tentatively scheduled for June 11, 2018 to review the internal audit and the Corrective Action Plan as it relates to the Comptrollers audit of Technology
- 7) A motion was made by Drew Boggess and seconded by Bob Curran to adjourn the meeting at 10:10 a.m.

