

PITTSFORD CENTRAL SCHOOL DISTRICT  
AUDIT OVERSIGHT COMMITTEE (AOC)

May 30, 2018

Room 410

3:30 p.m.

Those present: M. Pero, D. Kenney, L. Reister, T. Aroesty, P. Sullivan, V. Baum, T. Zuber, D. Carpenter

1. The minutes from the January 31, 2018 meeting, were approved.
2. Tom Zuber from Ray Wager's office was present to talk to the committee about the audit process and services noting how technology will be playing a role in auditing for accounting firms. There has been significant discussion with partners in the Wager firm, noting that the hope is that they will stay on as the leaders in the industry. Noted were the areas of risk and change; fund balance and reserves, property tax report card and the government pushing for more transparency. Pittsford is used as an example of transparency when the firm visits other school districts.

A handout was passed out and areas highlighted as follows:

- The scope of services
- Management responsibilities
- Auditing approach
- Key controls
- Significant audit areas
- Compliance
- Responsibilities regarding fraud risk
- General fund – fund balances and reserves
- Other items such as:
  - Property Tax Report Card changes
  - Reserve resolution requirement
  - New legislation
    - We need to pay attention to how the state looks at the Property Tax Card
    - Reserve funds
    - Website requirements
  - Fiscal stress for school districts
  - School lunch shaming
  - GASB 75
    - How do we compare to other districts?
    - Other districts are dealing with this too.
    - Questions asked by committee member: Will there be a disclosure opportunity for revenue vs. liability?
  - Single Audit
  - Crowd funding (only by student activities)
    - There is limited guidance from the SED, but it is being looked into.

- Question asked about tax deductions with regard to crowd funding.
  - What is appropriate?
  - It can be murky.
  - Be sure not to use PCSD name in crowd funding when not applicable to us.
- Prior year recommendations from the firm.
3. It was noted that the IRS vs. state are back and forth regarding school tax as a charitable credit.
4. Mr. Kenney referred to the External Auditor Engagement communication based on the five- year RFP. We are currently in the second year.
5. Mr. Kenney referred to the Purchasing policy that was in the packet, noting it has been split into three sections... highlighting piggybacking, best value and conflict of interest. Question was asked about whether or not conflict of interest would be brought to the Reorganization meeting. A discussion ensued.
6. Membership for the Audit Oversight Committee for the following year will be discussed officially at the Reorganization meeting. However, Mr. Sullivan, Mr. Aroesty and Mrs. Baum will continue on as their terms have not ended.
7. Mrs. Reister spoke to the committee about the Payment Center summary that was passed out, noting it was a successful year. Elementary schools are using the portal quite well. Auditors like the Center as well as the District from a cash handling point of view.
8. Mrs. Reister said the payroll audit has been done with Calkins Road Middle School and Park Road Elementary School.
9. It was noted that the school lunch inventory went well. A price increase is being recommended because of the minimum wage increase. It was noted that we are barely in the black. Committee member noted that the District should message out the wage increase and price increase. How to access help with lunches is communicated in the District calendar and the summer newsletter.
10. Meeting was adjourned at 4:26 p.m.

Respectfully submitted,

Veronica M. Walker  
School District Clerk