

PITTSFORD CENTRAL SCHOOL DISTRICT
AUDIT OVERSIGHT COMMITTEE

September 26, 2013

Room 410

3:30 p.m.

Those present: M. Pero, D. Kenney, I. Narotsky, B. Kecskemety, P. Sullivan, R. Wager, M. Gibson.

1. Review of Charter and selection of 2013-2014 Chairperson: Mrs. Narotsky accepted Mr. Kecskemety's nomination for her to serve as chairperson of the Audit Oversight Committee for the 2013/2014 school year.

2. Review of Minutes: The minutes of the June 12, 2013, Audit Oversight Committee meeting were accepted.

3. Review of External Audit – the Executive Summary was handed out.

Mr. Ray Wager took a moment to reiterate that school districts are required to have an audit committee and must also obtain an auditor to go over financial matters with the committee. Mr. Wager noted that schools today are dealing with how to keep taxes down without using up reserves needed for the future. He said that Pittsford is right in the middle area with good healthy reserves, a good solid budget and a good solid fund balance. Mr. Wager then reviewed the Executive Summary. He noted that we have nicely funded reserves and reviewed them with the Committee. He emphasized that reserves are restricted for what they are designated for. A discussion ensued on the different reserves. Audit control was briefly discussed.

It was noted that the audit report in its entirety will be done soon as well as the Management Report.

Mr. Wager said that the substance in the Communicating Internal Control Related Matters Identified In An Audit (Management Report) is an update of the prior year. It was confirmed that we are not part of the Federal Nutrition Program. The School Lunch Program was briefly discussed. Contractor rates were briefly talked about as well as consultant contractor contracts and payment. Mr. Wager said that none of these are major issues, but that they describe the level of detail that the auditors look at.

Mr. Wager said that previously the State said they would give relief from the internal auditor mandate in smaller districts expressing that this was not a good decision.

Mr. Wager said that spending down reserves is dangerous for future financial health and emphasized that we are right where we belong in this area. A brief discussion ensued on the tax cap, health insurance, and retirement costs.

4. Extraclassroom Audit –Mr. Kenney reviewed the report of the Jefferson Road Elementary School Audit and a brief discussion ensued. Mr. Kenney noted that Board policy is very specific about the duties of an Extraclassroom advisor. A discussion took place about advisor training.

Mr. Pero said that he believes it would be most helpful if the rationale behind the 40 minute training was explained to the advisors so they are not intimidated by taking the training and also understand that it is an important benefit for them to know the reasons for proper procedures. Mr. Kenney noted that there is a checklist that advisors complete upon training. One question during the discussion had to do with whether or not an advisor who does not handle cash should take the training. Mr. Pero said that the goal this year is to get both the training and understanding of it implemented.

5. Increase in Cash Drawer Funds for Athletic Events: Mr. Kenney said there is need to have an increase in the cash drawers at football games, because cash runs out with what is designated now. A brief discussion took place about having a pre-pay system to alleviate running out of cash at games. The Audit Oversight Committee agreed to recommend an increase and take it to the Board of Education for action.

6. Red Flag Reporting Services – A discussion ensued on contracting the services of Red Flag Reporting Services. After the discussion, it was the consensus from the three Board members that we do not move forward with this service.

7. Mr. Kenney referred to the East Ramapo audit, included in the AOC packet, and suggested that that District's response should be read before reading the actual audit. Mr. Kenney said that our five-years are up for having another audit. It could happen at any time.

8. Mr. Kenney referred to his September 16, 2013, reserves presentation to the Board and suggested that it would be good to come up with a philosophy that we are all on board with in the event the Comptroller's Audit comes our way.

9. Mr. Kenney and Mrs. Gibson were complimented on their good work with the District's finances.

Respectfully submitted,

Veronica M. Walker
School District Clerk

Next meeting : January 29, 2014