

PITTSFORD CENTRAL SCHOOL DISTRICT
AUDIT OVERSIGHT COMMITTEE
FEBRUARY 26, 2014
Room 410
3:30 p.m.

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

1. Single Audit Report for the Year Ended June 30, 2013: The highlights of the Single Audit Report were good.

2. Extraclassroom Audit for Year ended June 30, 2013: A discussion took place on the Extraclassroom Audit, noting the following: Every year we see the same types of comments about the same club even though training has been conducted by Ray Wager's group. There has been push back because some advisors do not handle the money directly, yet they are responsible for their club. It was noted that there is not a lot of competition for advisors, just interest in a particular club activity. It was said to be disturbing that people are paid for the responsibility and they don't want to take training. It was noted that advisors don't really realize that Extraclassroom activities are watched and discussed by AOC and auditors. They do not get the magnitude of what needs to be done and how it needs to be done. They need to understand any lapses of judgment and that each committee is real and it all matters. It was noted that all of this has been explained and discussed and it is believed that people are understanding more and more that this is important work.

Mr. Kenney asked Board members what they see as the role of the Audit Oversight Committee and the follow up to this conversation. It was noted that they would like closure so habits are changed. Mr. Pero said that it would be nice if in the training, a discussion took place about the internal process and who sits on the AOC and its role, and note that a third party reports back to the AOC. It was suggested that a form be filled out by the AOC and is sent back to the advisor as there seems to be a disconnect between the advisor and reporting.

Mr. Kenney said that every club does a self evaluation. It was suggested that the evaluation should state any infractions and they should be explained. If there are any audit concerns, the response should be brought to an advisor's evaluation with the principal. It was noted that there are a few loop holes currently. Another suggested option is to bring this topic to PDLT in order to understand roles and bring them to the building level. PDLT should know that the AOC is not happy with the process and the not-so-good responses to infractions. Also for PDLT, should Extraclassroom Activity responsibilities be part of evaluations?

A discussion ensued on ski passes. Is it a violation of BOE policy? Is it going to ski club in reality? Why are passes given to a non club member as opposed to advisors (advisors get paid, chaperones do not and why not)? Is it ok? Most ski clubs give passes to chaperones. It was noted that it didn't seem right for advisors to be the ones to decide who gets passes; the tickets should go to chaperones. It was suggested that this go into our policy. Another thought: should passes be turned back to Bristol or money taken off kids fee or given to kids who cannot afford to ski?

Question asked if the school has a right to decide where left over passes go? Should the club be the one to decide?

Action steps: Talk to PDLT regarding the work of the AOC to include the evaluation. Bring the evaluation to AOC to see where changes could be made. Individuals need to know that it is important enough to be on an evaluation.

3. Claims Auditor's Report - June through January – Laurie Patterson:

- Mrs. Patterson noted that she now has a computer for accessing reports, which is very helpful.
- We are using a credit card to pay some of the District's bills, which is very helpful for tracking.
- She recently attended a couple of informative workshops.
- Payroll verification and food service verification have been completed.
- There are no significant concerns or fraud.
- There is still an ongoing issue for proper Travel & Conference procedures.
- The claim form was not used for a volleyball coach, denied, sent back and resubmitted. This particular form was submitted inadvertently because it was the understanding that the Volleyball Booster Club would pay for the conference and the District for incidentals. Scott Barker had denied it for funding reasons before the booster club president said they would pay for the conference itself, not the incidentals. There was a communication gap. Things were worked out where some money was paid to the Coach and some was not. The bottom line is to train non-employee coaches.
- Mrs. Patterson reviewed attachments and the remainder of documents prepared for this meeting.

4. Booster Memo re: Policy 3260 – Booster Clubs. It was noted that this policy and its regulations have been sent to all Booster Clubs in order to review information.

5. Paraprofessional Expenses for Student Trips: It was noted that the purpose of this discussion is to keep student travel on the radar. Laura Purcell may attend the next AOC meeting along with Ray Wager. Mr. Pero said if we can add clarity to the board approved trips that would be very important.

Mrs. Narotsky asked how other school districts provide field trips. Mr. Pero replied that a lot of school districts do not participate in many outside-of-standard field trips. Others do. Mr. Kenney replied that their boards are approving some and others are given to booster clubs. Mr. Pero noted that there is not a uniform process and the hard part is rationalizing reasons for trips. Question asked if we have reduced our trips like Darien Lake, etc. Mr. Pero replied "not significantly" and the most difficult part will be breaking past practice. If we have parameters to start with, it will be helpful. School is free and where does money for field trips fall? Question asked about the difference between athletic trips and, for example, music trips. Answer: We need to think of what is part of the curriculum. Mr. Kenney noted that it will take time for this discussion to take place with Mrs. Purcell and Mr. Wager. Currently Mr. Pero is approving or denying only athletic field trips based on \$0 cost to kids. Question: What about the kid who cannot afford it? Commissioner said if the district pays for it, the District is subsidizing the trip.

6. FAQ on Occupational Fraud: It was noted that we have internal controls in place.
7. Areas of Focus: Mr. Kenney noted that there is need to designate special areas of focus for auditing. A discussion took place on some areas of interest. Mr. Kenney suggested an examination of data security for an audit. Mr. Pero explained that we may be audited soon for data and FERPA and the recent quote was \$40,000.
8. Mrs. Narotsky asked about substitute timesheets. Mike explained the processes - long term vs. short term. She also noted information she gained at a meeting earlier today regarding health insurance because of Obama care. Mary noted that paperwork is very time consuming. Mr. Kenney explained what we are doing with regard to this. The County consortium is trying to come up with a plan that meets health care requirements.
9. Mr. Kenney noted that we have to do an RFP for an internal auditor and he will bring back the ranking at the next meeting. It was noted that we are in compliance with the 5-point plan.
10. The minutes were accepted from the September 26, meeting.

Respectfully submitted,

Veronica M. Walker
School District Clerk

Next meeting scheduled for June 11, 2014