

***Niskayuna Central School District
Meeting Minutes – Audit Committee of the Board of Education***

August 1, 2014		8:00 – 9:30 a.m.	District Board Room
Meeting called by	Patricia Lanotte		
Type of meeting	Regular		
Note taker	Barbara Mauro		
Attendees	School Board Audit Committee Members: David Apkarian, Patricia Lanotte and Barbara Mauro; Interim Superintendent John Yagielski, Assistant Superintendent for Business Matt Bourgeois, Internal Claims Auditor Doris Munro		
Election of Audit Committee Chair			
Actions Taken	<ul style="list-style-type: none"> • Patricia Lanotte was elected by a vote of 3-0 to serve as committee chair for 2014-2015 • Barbara Mauro was appointed note-taker for the audit committee 		
I. Internal Claims Auditor Report:			
Discussion and Internal Audit Findings	<ul style="list-style-type: none"> • Doris Munro presented the findings for all warrants dated 06/13/2014 – 08/02/2014. <i>Please see her written report, which is attached to and made part of these minutes.</i> Twelve exceptions were noted in the General Fund, as listed on page 4 of the report. Eleven needed confirming purchase orders; one had no purchase order (from prior year). No pattern was noted. • Nine additional discussion points were listed (page 4), and were discussed. Five areas will receive follow-up action by the administration – see below. • The report included a Report on Credit Card Statements 6/10/2014 – 7/10/2014 (all documentation is complete) and a Report on Credit Card Statements 9/10/2013 – 5/10/2014 (no further follow up was done on these statements, where 14 notations were made regarding missing receipts, finance charges paid, and sales taxes paid.). • Doris Munro confirmed that she will review all wire transfers and ACH payments that appear on bank statements to ensure completeness of claims audit function. 		
<ul style="list-style-type: none"> • Conclusions/ ➤ Action Item 	<ul style="list-style-type: none"> ➤ Action Item: Verizon late fees will be addressed; ➤ Action Item: Staff will be educated to take advantage of vendor prompt payment discounts; ➤ Action Item: School lunch fund payments that are being made through the general fund will be re-coded for proper accounting & blanket purchase orders will be issued for the school lunch fund; ➤ Action Item: Leases for rental income from six renters at the bus garage property at 1301 Hillside Avenue will be signed over to the district to insure that monthly rental income comes to the district going forward; ➤ Action Item: ASB will obtain details of payments made by AT&T and Verizon tenants to ensure that all prior year due to the District is collected from the prior owner; ➤ Action Item: Superintendent will follow up with Schenectady County regarding taxes and late fees paid by the district that arose when the district purchased the bus garage property at 1301 Hillside Avenue on June 28, 2013, a situation complicated by the timing of the closing and the updating of assessment rolls. 		

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II. Follow up on Outstanding Audit Committee Action Line Items – Please see the memo, which is attached to and made part of these minutes, for details regarding the steps the administration has taken and plans to take to address each of these items.

<p>June 2014 -Audit Committee Action Items - Follow Up</p>	<p>Various – See <u>attached</u> Agenda for Description of Open Items brought forward from prior Audit Committee Meetings</p>
<p>1. Credit Cards</p> <ul style="list-style-type: none"> • Conclusions/ ➤ Action Item 	<ul style="list-style-type: none"> • ASB reported that there are now only 2 credit cards for the entire district. All other credit cards will be destroyed. ➤ Action Item: 3rd credit card needs to be returned and destroyed; ➤ Action Item: Update District Policy re: credit card usage.
<p>2. Review & Implement Questar III Audit recommendations</p> <ul style="list-style-type: none"> • Conclusions/ ➤ Action Item 	<ul style="list-style-type: none"> • ASB indicated that he needs to meet with the Food Service Director but since she is an 11 month employee, the meeting will take place before school begins in September. ➤ Action Item: ASB will meet with the School Lunch Director as soon as practicable before school starts <u>to review the Questar III Audit Report. The report is attached to and made part of these minutes.</u>
<p>April 2014 Audit Committee Action Items</p>	<p>Various – See <u>attached</u> Agenda for Description of Open Items brought forward from prior Audit Committee Meetings</p>
<p>1. Provide department training on purchasing policy 6700 and Finance Manager</p> <ul style="list-style-type: none"> • Conclusions/ ➤ Action Item 	<ul style="list-style-type: none"> • Departments in need of training will be identified and training will occur at the beginning of the school year. ➤ Action Item(s): Item 1 remains open and requires follow up by ASB.
<p>2. Administration will address the Food Service department issues detailed in agenda</p> <ul style="list-style-type: none"> • Conclusions/ • Action Item 	<ul style="list-style-type: none"> • ASB was unable to look at beverage inventory prior to year end 2014. ASB indicated this will be done in September. ➤ Action Item(s): All action items from prior minutes (Items 2.i. – 2.v.) remain open and require follow up by ASB.
<p>3. ASEP Instructors: Quantification of \$\$ due district from NYSTRS</p>	<ul style="list-style-type: none"> • ASB reported that the amount to be recovered from NYSTRS approximates \$7k; • ASB reported that the ASEP instructors who are members of NYSTRS have been properly coded to prevent misclassification for payroll purposes. ➤ Action Item: Request refund from NYSTRS; ➤ Action Item: Request determination letter from NYSERS regarding classification of instructors; ➤ Action Item: ASB will print email from NYSTRS regarding proper classification and provide a copy to audit committee.

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II. Follow up on Outstanding Audit Committee Action Line Items (cont.)

March 2014 Audit Committee Action Items	Various – See <u>attached</u> Agenda for Description of Open Items brought forward from prior Audit Committee Meetings
1. Documentation of Summer Handicapped Program – Function, funding, and collection of revenue	<p><i>A State Education Department memo entitled “Pupils with Disabilities – Summer Placements (Twelve-month education programs) section 4408” was provided to the audit committee, and is attached to and made a part of these minutes.</i></p> <p>➤ Action Item: Audit committee requested that section 4408 be compared to the NCSD process for tracking pupils and for maintaining the required documentation necessary for reimbursement. Need to ensure that our procedures provide for the timely submission of claims to NYSED. Also need to document our internal processes to ensure that outstanding receivables are followed up on routinely. Any uncollectible receivables should be identified and written off as soon as they are deemed to be uncollectible.</p>

III. Update on Community Member Applications for Appointment to Audit Committee

Discussion	The Board of Education amended the Audit Committee Charter to provide for the appointment of two community members to the Audit Committee. An announcement and application were posted on the district website. Seven completed applications have been returned to the board; an additional application has been received for a total of eight as of August 2, 2014. The audit committee will interview applicants after the August 8 th deadline, and will make recommendations to the Board of Education.
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IV. 2014 Audit Committee Dates

Discussion	Four meetings per year are mandated. Additional meetings will be held as needed. The mandated meetings will be held in October 2014, and in January, March and June 2015.
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V. Executive Session

Purpose	The Superintendent requested executive session with the board representatives of the audit committee to discuss a personnel matter. The committee convened in executive session and was briefed by the superintendent on a personnel matter. The committee reconvened to public session and adjourned.
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