

ROCHESTER BOARD OF EDUCATION

Special Meeting Minutes

Finance and Audit Committees of the Whole via Zoom Video Conferencing
May 19, 2020

Board Members in Attendance: President White, Vice President Elliott, Commissioner Lebron, Commissioner Powell, Commissioner Maloy, Commissioner Adams, Commissioner Sheppard (5:46 p.m.)

Board Members Excused: N/A

Administration and Board Officers in Attendance: Superintendent, Myers-Small, Deputy Superintendent, Lynda Quick; District Counsel, Karl Kristoff, Associate Counsel, Steve Carling; District CFO, Robert Franklin; Budget Director, Brian Pack; Chief of Human Resources, Harry Kennedy; Chief of Operations, Michael Schmidt; East EPO CFO, Carleen Pierce; Auditor General, Anissa Henry-Wheeler; District Clerk; External Auditor, Kathryn Barrett Marisol Ramos-Lopez; Board Staff, Kallia Wade

President White convened the meeting at 5:35 p.m.

- I. Speakers:** *Due to the closure of meetings to the Public as a result of COVID-19, speakers will provide comments via the Board Email or live via Zoom. These will also be posted to the District web site. This list reflects the names of anyone whose comments were read or were written and submitted for the record.*

Kristen French, a staff member, addressed the Board live via Zoom about the impact of the Commissioners.

II. Audit Committee of the Whole Meeting

Commissioner Powell convened the Audit Committee of the Whole at 5:52 p.m.

Motion by Commissioner Adams to approve the Minutes of the March 24, 2020 Audit COW Meeting. Seconded by Vice President Elliott. **Adopted 6-1 with Commissioner Sheppard dissenting.**

District Auditor General, Anissa Henry Wheler introduced Ms. Kathryn Barrett as the representative from external auditors, Freed Maxick. Ms. Barrett addressed the Board and presented the company's RCSD audit plan document for the fiscal year ending June 30, 2020. The plan includes a summary of the expectations of the company, as well as the audit strategies and responses to audit risks implemented, the audit timetable and other matters of relevance for the Audit Committee to consider. The Committee

discussed the plan with Ms. Barrett in further detail.

Motion by Commissioner Maloy to adjourn the Audit COW Meeting. Seconded by Commissioner Adams. **Adopted 7-0.**

III. Finance Committee of the Whole Meeting:

Commissioner Lebron convened the Finance Committee of the Whole at approximately 7:05 p.m.

Finance Committee Discussion Items

Commissioner Lebron noted that the minutes for the March 17, 2020 and April 14, 2020 Finance COW meetings would be presented for review and acceptance at the May 28, Board Business Meeting.

Review and Discuss Financial Reports

CFO Franklin presented and reviewed the April 2020 unaudited Financial Report for the Finance Committee. He encouraged the Commissioners to read the report and look back a few months to see consistencies and inconsistencies and noted that these findings would help fuel questions regarding the reports. He noted that As of April 30, 2020, the District is projecting to end the 2019-20 year with \$98,481,809 in the cash balance.

CFO Franklin indicated that a Revenue Anticipation Note (RAN) would be needed for the month of August, 2020 for approximately \$100M in order to assist with cash flow. This, he noted, would be twice the amount that was requested and issued in August 2019, but he advised that this would be needed given the City's dire cash forecast. Following this, CFO Franklin elaborated further on the fiscal relationship with the City and the concerns regarding the state's fiscal standing as a result of the Covid-19 pandemic. CFO then Franklin reviewed the revenue summary and noted the April YTD budgeted revenue of \$965,568,926, which includes the reflection of the \$35M in spin up aid. Finally he alluded to the Appropriation by Major Accounts Report and Appropriations by Function Report.

President White submitted the following question to the Board Question Log: Are there certain circumstances where the District should be encumbering funds?

Commissioner Sheppard asked questions relating to outstanding checks—namely, what is the limit of these checks? And how long are these checks allowed to carry over. CFO Franklin provided an overview of this process.

Motion by Commissioner Powell to forward the April, 2020 Financial Report to the May 28, 2020 Board Business Meeting for approval. Seconded by Vice President Elliott. **Motion passes 7-0.**

Motion by Vice President Elliott to forward the Third Quarter Student Activity Funds and Elementary Activity Accounts Report to the May 28, 2020 Board Business Meeting for approval. Seconded by Commissioner Maloy. **Motion passes 7-0.**

Finance Committee of the Whole adjourned at approximately 8:01p.m.

Motion by Vice President Elliott to convene in Executive Session at 8:03 p.m., seconded by Commissioner Maloy. **Motion carries 7-0.**

Motion by Vice President Elliott to reconvene into open session at 11:08 p.m., seconded by Commissioner Adams. **Motion carries 7-0.**

Motion by Vice President Elliott to adjourn the Special Meeting at 11:08 p.m., seconded by Commissioner Maloy. **Motion carries 7-0.**

Next monthly Finance Committee Meeting of the Whole: June 9, 2020