

Rochester Board of Education
Audit Committee Meeting
October 23, 2017

Minutes

Attendance: President White, Commissioners Adams (Chair), Evans, Elliott, and Hallmark; Anissa Henry-Wheeler, Auditor General; and Everton Sewell, Chief Financial Officer.

Commissioner Adams convened the meeting at 5:37 PM.

- I. Minutes of the May 17, 2017 Meeting:** A motion was made to accept the minutes and the minutes were accepted by all present.
- II Proposed Audit Committee Schedule:** The Audit Committee meeting schedule and topics for the remainder of the school year were reviewed.
- III. External Audit Status – CAFR Distribution:** The Auditor General communicated that the annual audit is completed. The draft CAFR was distributed and it was recommended that Board members review the Transmittal Letter and Management Discussion and Analysis. Questions and feedback regarding the CAFR are due November 14, 2017. Commissioner Adams inquired if OAG questions will be shared with the Board and the Auditor General advised the questions will be shared with the final draft, as in prior years. Commissioner Elliott shared a concern that parents did not always feel included in Title I spending decisions and requested a current status. Mr. Sewell communicated that the Office of Parent Engagement has been including parents with Title I spending decisions.
- IV. Auditor General Update:** Commissioner Adams conveyed the need for greater clarity on how the Board is made aware of spending on temporary employees, consultants, and contractors. President White expressed a concern regarding the use of contractors instead of employees in leadership positions and the legal ramifications of proper classification.
Action: President White asked that General Counsel evaluate if we are properly classifying our contractors and ensure there are no legal issues.
Action: Commissioner Evans discussed the need for specific deliverables for all contractor / consultant contracts, so the Board is good stewards of taxpayer funds. He also requested payment information regarding consultants. The Auditor General stated that audit would perform an analysis, as requested, but it would likely be more meaningful at mid-year or closer to December. CFO Sewell stated that he would also perform an analysis of consultants. The Auditor General provided a status on the RCSD Corrective Action Plan in response to the NYS Comptroller audit of Payroll and Procurement and discussed the root cause analysis that is being provided to support management. Commissioner Elliott agreed that root-cause analysis is important to support management, but wants to ensure management accountability for corrective actions. The Auditor General reviewed a Procurement Card Audit report series and Student Activity Fund Reports for Wilson and Integrated Arts & Technology. The Auditor General also reviewed the Audit Plan for the 2017-18 school year. President White noted that the Special Education area is of highest importance for audit work. The Auditor General agreed and stated that Special Education audit work will be performed from a compliance perspective. Commissioner Elliott made a motion to accept the 2017-18 Audit Plan and it was accepted by all present.
- v. Adjournment:** The meeting was adjourned at 6:50 PM.