

Audit Committee Meeting Minutes

April 14, 2015

Attendees: Deirdre Burns, Laura Schulkind, Paul Slayton, Rick Walker

Invited Guest: Tom Burnell

Internal Payroll Testing

Tom shared Vanacore's proposal for testing internal controls and procedures around payroll expenses and records management. The testing will cost \$6,400 which is covered in the 2014-15 budget and be performed in May. Testing will include random sampling of:

- a. 5 new employees from teacher, teacher sub, non-instructional and non-instructional sub units to ensure personnel file properly set up.
- b. 10 existing employees to ensure personnel and/or payroll file is complete.
- c. 20 existing employees for time recording, payroll approval and overtime authorization.

Tom will review the random sample of employees chosen to ensure that the sample is "random enough." The committee has requested the report be delivered prior to our June meeting for review and will include recommendations as well as findings.

External Audit Engagement Letter

The committee reviewed Toski's engagement letter for 2014-15 testing. They will begin their work in mid-August.

The \$17,100 fee is consistent with our contract however, we have asked Tom if that fee will be reduced due to new regulations, effective in 2014, that releases RCSD from a required Federal Single Audit as we do not meet the \$750,000 threshold for Federal funding. If Toski is unable to reduce that fee, we have requested details on additional services to be provided in place of that testing.

Tom will also confirm that Toski will review and provide the annual Extra Classroom Fund Report as it was not included in the engagement letter.

May Agenda:

- No meeting in May

June Agenda:

- Vanacore Payroll Report
- Larry Anthony will be invited to review operations of Cafeteria

Submitted by: Laura Schulkind