

RHINEBECK CENTRAL SCHOOL DISTRICT/AUDIT COMMITTEE

Minutes of Meeting of December 7, 2016

Present: Deirdre Burns, Stephen Jenkins, Lisa Rosenthal, Paul Slayton, Tom Burnell, Joe Phelan and Steven Jensen (Director of Technology and Communications).

Agenda: Reviewing business impact analysis report prepared by Geoff Turner, CBCP.

Tom reviewed highlights from the report for the Committee. To begin with, he stressed that this was not an analysis of the IT; rather, this report deals with recoverability of business operations in case of disaster or other unexpected event. These minutes are not a transcript of Tom's remarks, but will discuss some of the areas that the Committee engaged in discussion about.

The report observed that the district still needs an IT disaster recovery plan. Tom stated that the plan was off to a good start but needed more information, some of which has been compiled and others which have not. The crucial information is still in the heads of Steve Jensen and Michele Raimondi, and has not yet been clearly communicated. Steve estimated that the plan probably could be fully committed to writing by spring break, but if that estimate proves infeasible, he is confident that it can be completed by the end of the school year. Right now, he and Michele are going through each area that would have to be part of the plan; he based his completion timing on the rate at which the review has moved to date, but Steve noted that if there are areas that prove more complex than he now expects, that would lengthen the time involved.

One of the recommendations of the report was for the business office to have a second server to mirror the information held in the office's server, just in case the current server fails (currently, the business office backs up the information on the server to BOCES every night, in a form that would permit the business office staff to recreate the environment as well as the data, but the report considered this inadequate). Tom and Steve stated that the argument against this recommendation is principally cost-based, but they are considering other funding possibilities such as use of Smart Bond funds, which could offset the cost of purchasing another server. The Committee urged Tom to make continued efforts to find money to meet this recommendation.

In discussing the report's narrative regarding the use of Virtual Private Networks ("VPNs")¹ by members of the administration, Tom pointed out to the Committee that he and Christine Natoli, the district's Treasurer, share access to a VPN, whereas other administrators have their own VPNs. This occurred originally because a VPN could not be acquired for Christine on a time-sensitive basis, and they continued with that (though using their own passwords for access). The cost of creating a VPN is low (approximately

¹ VPNs allow a user to access a local area network via the internet from a remote location. Tom, Joe and other administrators use VPNs to work from home and other remote locations.

\$25) and having more than one person access the same VPN can be cumbersome (because, for example, if Christine needs to use the VPN while Tom is on, he would have to log out so that she could log in). The Committee urged Tom and Steve to get Christine her own VPN as soon as possible.

The report pointed out that the business office uses applications hosted on the district's own server (Info-Matic, the accounting system, and Transfinder, the bus routing system), as well as third-party hosted applications (such as banking, e-Triton and others). There followed a discussion of the benefits and drawbacks of the continued use of Info-Matic, a system that is no longer supported by Microsoft and has some potential security issues. Tom expressed concern about moving to another system, partly for cost reasons, partly because his staff is comfortable using Info-Matic, and partly because of his personal discomfort with cloud-based applications. Members of the Committee commented on these issues, and the consensus of opinion was that none of these factors was necessarily sufficient to overcome the clear movement of function and security to cloud-based applications.

The report discussed the impacts that would be felt from a loss of connectivity with the internet, due to a disaster or other unanticipated event. Payroll functions would likely be the most hard hit of the mission critical functions, because there are hard deadlines for entry of data that affect when staff pay would be available by direct deposit. Building security could also be affected, particularly by a power outage. If there was a disaster that caused loss of function in a significant part of the district's buildings (such as a fire), purchasing to replace equipment and fixtures would have to be closely monitored as well, due to insurance and payment considerations.

Another set of recommendations of the report that the Committee discussed was to scan paper documents and move to electronic time clocks rather than continue using paper timesheets. Tom observed that scanning documents would complicate document destruction policies, which could potentially impede the district's ability to destroy documents after the date on which applicable laws would permit their destruction, and that he would prefer to be able to destroy documents on schedule even if that was more cumbersome and labor intensive; he also opined that he would have to hire additional staff to do the scanning. Regarding electronic time clocks, Tom noted that such a change would probably require collective bargaining. The Committee urged Tom and Steve to consider whether document destruction policies could be effectuated even if documents were scanned, as well as whether individuals generating paper documents could, instead, either create them as PDF files or scan them when they were finalized, so as to obviate the need for additional staff. The Committee also suggested that Steve look into whether the centralized swipe card system that is planned for as part of capital project could incorporate a time recording system keyed to when an employee swipes.

Some of the report's other recommendations were: (1) do data replication in real time, rather than nightly; (2) update the server's operating system;² (3) move to a cloud-hosted accounting system and away from Info-Matic; (4) create an all-hazard continuity of operations plan; and (5) purchase a spare e-Triton terminal as a back-up in case of failure of the district's current terminal.

Members of the Committee endorsed Paul Slayton's proposal that Tom and Steve focus immediate attention on completing the IT disaster recovery plan, replacing Info-Matic with a cloud-based system, and developing a continuity of operations plan.

Next Meeting: February 8, 2017 at 12:30 p.m., District Office Conference Room.

Dated: December 8, 2016

Respectfully submitted,

Lisa Rosenthal

² The server currently runs Windows 2003, a system that is outdated and no longer supported by Microsoft. Steve is already in the process of transitioning to a new operating system.