

## RHINEBECK CENTRAL SCHOOL DISTRICT/AUDIT COMMITTEE

### Minutes of Meeting of September 27, 2018

Present: Stephen Jenkins, Diane Lyons, Lisa Rosenthal and Tom Burnell.

Agenda: Reviewing status and planning for this year.

Tom updated us on the status of the annual external audit. The auditors planned to come to the BOE meeting on October 9, 2018 to present their report, and also planned to present to the Committee earlier that same day. After discussing scheduling, the Committee requested that Tom reschedule the auditors to come on October 23<sup>rd</sup> instead to present to the Committee and later that evening the BOE. He will also request that the auditors forward their report ahead of time so that the Committee members have an opportunity to review it ahead of time.

Tom reported that he understood that the auditors had not identified any issues of concern in their audit. The unassigned fund balance had risen to approximately 2.5-3% of the budget, a considerable improvement over the previous fiscal year. Tom also reported that this year the audit will report on GASBY 75, which for the first time requires school districts to show a line item for their entire unfunded health care liability for all staff. Previously, it had not been necessary to show this item for staff that were still in service as well as those who had already retired. As a result, Tom expects that item to look very large. However, it does not require any action by the BOE or the district and has no other impact on the district's financial reports, it is simply information for potential investors in the district's bonds.

Tom also reported that this coming year the NYS auditors will perform an operational audit of the district's cafeteria functions. This is actually a federally-mandated, periodic audit, which is performed by state personnel. The auditors are expected to look at the district's service, recordkeeping, compliance with federal standards, and free and reduced-price lunch programs.

The Committee discussed the possibility of having an internal audit performed this year. Subjects under discussion are a possible audit of the non-instructional staff and/or administrators. Tom was unsure of what sort of auditor would be appropriate for such audits, but he agreed to consult with other school business officials in the county to get their input. He will report his findings to the Committee as soon as possible.

Next Meeting: Tentatively scheduled for October 23, 2018 at a time to be determined, District Office Conference Room.

Dated: October 1, 2018

Respectfully submitted,  
Lisa Rosenthal