

**CRCSD Audit Committee  
First Regular Meeting of the Fiscal Year  
11:30-1:00pm, September 9, 2020  
Virtual-Zoom Meeting**

**Attendance:**

Maureen Oviatt, Scott Arensdorf, Whitney Schreder, John Hammar, Gordon Epping, Janet Henry, Jason Fisher

**Absent:** Drew Yoder, Chad Meyers

**Guests:** Chris Koerperich (RSM auditor), Jordan Valle (RSM auditor), Tom Hoffman (Audit Committee historian/guest), Cassie Daley (The Accel Insurance Group)

**Review and approve minutes from the June 10, 2020 committee meeting:**

Maureen Oviatt asked for any corrections to the minutes. Whitney Schreder motioned to approve the minutes as written, it was seconded by Scott Arensdorf and the minutes were approved.

**Review with management their views on the District's major financial risk exposures related to the District's insurance selection:**

Cassie Daley noted the information provided by the Accel Group in the committee packet was what was given to the Board in July. She focused on the summary page, reviewing the coverage in place, and comparing pricing between this year and last; most line items saw a 10-20% increase. She noted the significant events in 2020 at CRCSD schools which included the spring hail storm with \$400,000 in claims, a valve problem at Jefferson HS causing a \$100,000 claim and the August derecho in which EMC reserved \$51.5M for estimated damages, as well as the impact to surrounding communities. She added that insurance plan dividends would be non-existent and increased renewal rates were a certainty moving forward.

**Activity Fund Agreed Upon Procedures Discussion for FY2021:**

Dave Nicholson discussed the Student Activity Fund (SAF) special review (Agreed Upon Procedures-AUP) done in the fall and the spring at the middle schools and high schools by the RSM auditors. He noted that prior to FY2021, the SAF activities were managed by the schools in a system separate from the District financial system. Year-end entries were done to bring YTD totals into the District financial system. The special audit AUP was the internal control check on the separate system. The separate system was closed at the end of FY2020. In FY2021, the SAF is part of the District financial system. After discussion and recognition that there has been limited activity in the fund due to COVID and the Derecho, a decision was made to forgo the fall AUP but keep the spring AUP. The procedures and need for the AUP will be re-evaluated then.

**Review and reassess the adequacy of the Audit Charter periodically, but at least every 3 years and recommend any proposed changes to the Board of Education for approval:**

Dave Nicholson reviewed the charter with the committee and proposed a change to the charter regarding the board liaison. Whitney Schreder motioned to approve the change as suggested. The motion was seconded by John Hammar and the update was approved.

**Feedback from annual report to the Board of Education (BOE):**

Whitney Shreder reported that the Board of Education met via zoom in June and that former audit committee chairperson Gary Becker presented the FY2020 audit committee highlights. The work of the committee was appreciated.

**Conflict of Interest Disclosure Form:**

Dave Nicholson reviewed the Conflict of Interest Disclosure form needed by audit committee members each year. He asked for it to be completed and returned as soon as possible.

**Review any complaints received and status of resolution:**

Dave Nicholson noted that no financial integrity complaints were received. He added that there was a concern reported about an HR unemployment claim but that those complaints are handled by HR through a different process.

**Review of Other Items of Importance:**

Moody's report: Dave Nicholson reviewed the most current report from FY2019 received from Moody's and noted the high rating the District received.

Local Revenues Report: Dave Nicholson reviewed the impact of COVID and other items on the FY2020 report noting that the year was not closed yet.

Discuss Audit Committee New Member Orientation format: Dave Nicholson noted that all members are invited to the October 2020 audit committee orientation meeting to learn about school funding.

COVID-19 and Derecho update: Nothing added.

Review previous meeting comments: None done due to virtual meeting format. Dave noted that FY2021 calendar year invites would be sent soon for on-sight audit committee meetings moving forward.

**Meeting Adjourned at 1:35pm**

The next meeting of the committee will be on Wednesday, October 14, 2020.

By: Maureen Oviatt  
Maureen Oviatt

By: Sarah Brown  
Sarah Brown