

**CRCSD Audit Committee
November 17, 2021
12:00-1:30pm
Virtual-Zoom Meeting**

Attendance:

Maureen Oviatt, Scott Arensdorf, Whitney Schreder, John Hammar, Jason Fisher, Angela Dockter, Janet Henry, Sherry Luskey, Sarah Brown, and David Nicholson

Absent: Chad Meyers, Vacancy

Guests: Brett Nitzschke (Lynch Dallas, P.C.-District Attorney) and Chris Koeperich (RSM-Audit)

Review and approve minutes from the September 8, 2021 and October 6, 2021 committee meetings:

Maureen Oviatt asked for any corrections to the minutes. Scott Arensdorf motioned to approve the September 8, 2021 minutes as written, it was seconded by John Hammar and the minutes were approved. Janet Henry motioned to approve the October 6, 2021 minutes as written, it was seconded by Scott Arensdorf and the minutes were approved.

Review of pertinent District legal issues by District legal counsel:

Brett Nitzschke shared an October 15, 2021 legal letter prepared for the FY2021 audit. He noted that there are two pending litigation items. He explained that a first claim report is usually done with EMC (District Insurance) and that most claims are managed by them. Lynch Dallas, P.C. coordinates with them. Reports are provided at least every other month to District leadership. He noted that Lynch Dallas is included on the Policy Review Committee to provide legal guidance on district policies being reviewed and or proposed.

Review asset management procedures:

Sherry Luskey reported on the asset management system in place to track District fixed assets and on the other software systems used to track technology, nutrition, and library inventories. She noted that a fixed asset physical inventory is completed every five years (last done in 2018) and that for FY2021 there were no asset findings by auditors. She reviewed the purchasing flow and reconciliation process for all assets greater than \$5000 (in compliance with board policy) and items greater than \$500 funded with federal dollars. It was noted that in FY2022, fixed asset tracking is being shifted from the Asset Works reporting system to the District's new accounting system. Discussion followed regarding the transition logistics.

Review financial health of the District:

Dave Nicholson reviewed FY2021 District financial highlights as shared at the BOE September 2021 meeting.

Review with independent auditor any significant problems or difficulties encountered in the FY2021 audit:

Chris Koeperich (RSM-Auditor) provided the 2021 Audit Results summary. He noted that the report is not final, but that to date, an unmodified/clean opinion will be issued; there were no material weaknesses or significant deficiencies. A final audit report (pending Federal compliance guidelines for ESSER funding) is scheduled to be presented at the December 13, 2021 board of education meeting.

Review the proposed Request for Proposal (RFP) timelines and inclusion items for the District Independent Audit:

Dave Nicholson reviewed the proposed RFP process/timelines for completion with the full Audit committee including the scoring criteria and rubric. John Hammar and Angela Dockter volunteered to participate on the RFP review sub-committee. Discussion followed.

Review of any financial complaint received and status of resolution: There were none received.

Review Other Items of Importance:

Dave Nicholson:


- a) Local Revenues Report - Reviewed the report as of 10.31.21, explaining significant variances compared to the previous fiscal year.

- b) Internal Auditor Discussion: The contact made with the Department of Education (DOE) regarding the use of the District management fund for two things 1) self-funded equipment breakdown insurance and 2) an internal auditor position. The DOE responded that to do so would take a law change by the state legislature. Dave indicated that he would reach out to local state legislators. Discussion followed regarding the challenges created by using general fund dollars to support the position; he indicated that tough budget times are ahead for the District as a result of declining student enrollment.
- c) PTA/PTO Reminders for Gambling License and 990 filings: Information was recently sent by the District to the school PTA/PTO leadership on recommended cash handling and fiscal requirements. Discussion followed regarding the consistent messaging that these entities are separate from and do not represent the District.
- d) Review previous meeting comments - None noted.

Scott motioned to adjourn the meeting, it was seconded by John Hammer and approved.

Meeting Adjourned at 1:30pm.

The next meeting of the committee is on Wednesday, December 15, 2021.

By: 
Maureen Oviatt

By: 
Sarah Brown