

**CRCSD Audit Committee Minutes**  
**12:00-1:00 P.M., December 7, 2022**  
**ELSC – Cedar A**

**In Attendance:** Janet Henry (Chairperson), Maureen Oviatt, Whitney Schreder, John Hammar, Jason Fisher, Tom Hoffmann, Krystle Braumann, Karla Hogan, and Derek Loutsch

**Virtual Attendance:** Angela Dockter

**Absent:** Scott Arensdorf and Chad Meyers

**Virtual Guests:** Greg Probst (RSM Manager, Audit Firm Rep) and Kevin Smith (RSM Partner, Audit Firm Rep)

**Review and approve minutes from the November 16, 2022 meeting:**

Janet Henry asked for any corrections to the minutes. Correction to meeting minutes listing Janet Henry as Chairperson and Whitney Schreder as Chairperson Pro-Tem. Maureen Oviatt motioned to approve the minutes with corrections, it was seconded by Jason Fisher and the minutes were approved.

**Review with independent financial auditors:**

Greg Probst led discussion reviewing CRCSD Annual Financial Audit Summary. General overview of process and testing. No concerns with annual audit. Communication with Krystle Braumann and Karla Hogan at the district was excellent. Independent Auditors address testing of internal controls, compliance, and federal expenditures. One non-compliance issue regarding certified enrollment which is not uncommon across all school districts. Federal Expenditures testing was centralized around ESSER funding making up 51% of the districts federal funding in FY22. There is a 3 year rotation of federal expenditures testing on annual funding of \$750k+. Funding sources under this threshold are addressed as needed to assess risk.

Cyber incident continued to be a concern and discussion with Greg on his thoughts from a financial audit impact. The financial impact to the district is determined to be immaterial given the net loss after response from the district's cyber insurance policy and no pending legal risk. From RSM's perspective, the risk was handled as expected and proper insurance in place to cover financial impact. Following recommendation from the committee, language to be added to the ACFR disclosing cyber incident and stating that the financial impact was insignificant with no pending legal threats.

**No Complaints received.**

**Other Items:**

Closed Session Confidentiality Agreement to be signed and returned for closed session on December 14, 2022.  
Annual Conflict of Interest Statement passed out for group to complete.

**Meeting Adjourned at 12:45pm.** Janet Henry motioned to adjourn and John Hammar seconded.

The next meeting of the committee is on **Wednesday December 14, 2022 (Closed Session)**

By: \_\_\_\_\_  
Janet Henry, Chairperson

By: \_\_\_\_\_  
Karla Hogan