

Frontier Central School District
Audit Committee Meeting Minutes
Tuesday October 15, 2024 @ 8:00 AM
Frontier Education Center

Attendees: Chris Swiatek, Robert McDow, Kyleen Young, James Voto, Pat Boyle, Nancy Cox, Nicole Ruf (Drescher & Malecki LLP), Kyle Patronik (Drescher & Malecki LLP)

I. Drescher & Malecki, Independent Auditors Report: A narrative and explanation of findings in the 2024 External Audit was provided. The following areas were discussed and were included in the report.

Report on the Audit of Financial Statements

- Assets and deferred outflows exceeded district liabilities.
- District total net position increased.
- The end of the fiscal year balance was \$1,581,500.
- The unassigned fund balance of the General Fund was \$4,239,600, 4.3% of the total General Fund expenditures and transfers-out.
- The District total bonded indebtedness decreased by \$4,338,000

Overview of Financial statements

- District assets and deferred outflows exceeded liabilities and deferred inflows by \$90,079,837 at June 30, 2024. Compared assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$82,695,759 at the close of the year, ending June 30, 2024.

Management Letter to the Board of Education

1. Succession Planning and Cross Training
 - Develop procedures to facilitate knowledge transfer
 - Provide a formal written succession plan
 - Encourage personal professional development
2. Extraclassroom Activities
 - Pre-numbered receipts were not used for collecting cash.
 - %Elementary schools with accounts
 - Bank reconciliations not performed at the High School
 - Recommended that district personnel adhere to internal and external policies.
3. Interfunds Loans and Restricted Cash
 - Recommended that interfund loans should be evaluated on a regular basis.
4. Future Reporting Requirements
 - Government Accounting Standards Board and new pronouncements.

- Evaluation should be completed to determine the extent that the district will be impacted.

Audit Committee accepted the reports and will be recommending they be accepted by the District at the BoE meeting this evening.

II. Discussion of time frame for the Corrective Action Plan: A short discussion was held in regard to the development of the required Corrective Action Plan.

- Mr McDow will present to the committee an initial plan by the end of November, 2024.

III. Planning for Internal Audit, 2024-2025 The committee discussed the areas to be examined in the pending Internal Audit by Tronconi Segarra & Associates.

- The 5 year Internal Audit Plan was revisited. The 2024-2025 plan included an audit of Information Technologies, Purchasing Accounts, and Transportation.
- It was decided by the committee to move the audit of Transportation to 2026-2027.
- The Transportation audit will be replaced by an audit of Athletics.

Next Meeting: December 3, 2024, 8:00am at the FEC.

Respectfully submitted: October 17, 2024
James Voto