

Frontier Central School District – Audit Committee Meeting Minutes
Thursday October 10, 2019 @ 7:00 AM @ FEC

Attendees: Kathryn Barrett (Freed Maxick CPAs), Patrick Boyle, J. Mark Robinson, and William Thiel

1. Presentation of Draft Year End Reports by Kathryn Barrett of Freed Maxick CPAs:

Draft copies of all four reports were e-mailed to committee members for their review a few days before the meeting. Ms. Barrett walked the committee through the documents below and answered member's questions.

- Audited Basic Financial Statements;
- Report to the Board of Education
- Single Audit Report
- Audited Extra Classroom Activity Financial Statements

She reported that the result of their audit was an unqualified (clean) opinion for the year ended June 30, 2019 for the Audited Basic Financial Statements and the Single Audit Report. The Audited Extra Classroom Activity Financial Statements get a qualified opinion due to their nature. In the Report to the Board of Education, two opportunities / recommendations are noted to be considered for improving controls around budget transfers and student activity funds. The Audit Committee wishes to thank Ms. Barrett and Freed for their work, and to commend Mr. Thiel and the staff of the Business Office for obtaining a solid year end audit report. The four documents noted above are posted with these minutes for public review.

2. Review Claims Auditor Reports June'19 and July'19: Copies of the District Claims Auditor's reports are e-mailed to all Audit Committee members monthly and reviewed as a group quarterly at these meetings. Mr. Kofod's monthly reports were discussed and no unusual concerns were noted.

3. Selection of External Auditors for 2019-20 School Year: NYS School Law requires districts to obtain an annual audit of its records by an independent certified public accountant or an independent public accountant. The BoE did not name an external audit firm at the District's 2019-20 Reorganization Meeting held in early July. Districts are not required to rotate these auditors, but are recommended to consider rotating auditors for a variety of reasons. Mr. Thiel obtained information from an Erie 1 BOCES bid regarding firms to consider for our external auditor function. While the Audit Committee has been very satisfied with Freed Maxick's performance, we feel obligated to review the BOCES bid and discuss the pros and cons of a switch. The committee focused on two firms from the bid and our current external auditor Freed Maxick. We were also very interested to hear Mr. Thiel's opinion on all three firms. **Action Item:** Mr. Boyle will schedule a conference call in the immediate future with Mr. Robinson and Ms. Cox (our committee expert, she is a CPA) to determine which firm the committee will recommend the BoE goes forward with. Our goal is to have a resolution/appointment on the BoE's meeting agenda in November.

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4. **BWB Risk Assessment Discussion:** We have tracked and worked the most important recommendations for the past three years. While we still have an open list, they are low risk items which we have evaluated and not acted upon due to cost versus the value of the resulting risk mitigation. A recommendation was made by Mr. Boyle to wipe the slate clean and begin anew with this year's risk assessment findings/recommendations. The reasoning was accepted and that is what we will do.

Next Meeting Date -Thursday December 19th 2019 - 7 AM at FEC.

Respectfully submitted on
October 22, 2019 by P. Boyle