

Frontier Central School District – Audit Committee Meeting Minutes
Thursday March 14, 2019 @ 7:00 AM @ FEC

Attendees: Patrick Boyle, Janet Plarr, and William Thiel

1. **Report on Orientation and Assimilation of New Internal Claims Auditor:** Mr. Thiel gave the committee an update on how Ms. Fischer’s orientation and initial interactions with the District are progressing. We will be seeing her first set of reports covering March in early April. The committee is holding on asking the full Board of Education to expand the Claims Auditor’s role to do recurring testing on student activities funds until we get a little more history and interaction experience with her.
2. **Update on Items to Address Recommendations from BWB on Student Activity Funds.** Mr. Thiel reported that the specific training and approach are being developed and the training will start around April 15th at the High School. A question regarding the relationship between a Frontier Booster Club and student club was brought to the Audit Committee which needs to be investigated. **Action Item #1:** Mr. Thiel will reach out to the student club’s advisor to determine the actual process being utilized between the student club and the Booster Club. He will report back to the Audit Committee with a summary to determine; (a) if there is an issue or not, and (b) if there is a concern, with a recommendation to correct the issue. If there is an issue, the Audit Committee will report to the full Board of Education with a recommendation to mitigate the issue within a month.
3. **Update on Whistleblower Policy Action Item #3 from 12-13-2018 Mtg:** On January 16, 2018 the Board of Education approved a Whistleblower, Policy 6451 - Disclosure of Wrongful Conduct. No further action is required.
4. **Overview of Current Timekeeping Practices District-wide - Action Item #6 from 12-13-2018 Mtg:** Mr. Thiel explained that for most of the District, except for the Bus Garage, our union work force does not punch in and out or submit timesheets for active time, rather the supervisors report absences and time off (exception reporting). The BWB Risk Assessment had noted a concern about the way the District allocates hourly employees pays evenly across their respective number of annual pay periods. This has been a long-standing practice in the District for hourly employees and does not present a financial risk according to Mr. Thiel.
5. **Review of Prioritized 2019 BWB Risk Tracker:** Mr. Robinson, Ms. Cox, and Mr. Boyle, each submitted their risk ratings (high, medium, or low) for all of the items noted in the BWB risk tracker. The ratings were reviewed and normalized. Mr. Thiel did a review of all items to give his opinion as to the items “suggested” disposition (Accept, Accept Partially, Reject - Mitigating Processes Already in Place, Reject - Cost to Implement Exceeds Return, Investigating - Researching Options, Investigating - Researching Option, Hold - Deferring Until Future Date, or Other). **Action Item #2:** The committee has submitted the now prioritized list to Mr. Thiel and will review the disposition of the high priority items as the year progresses.
6. **Internal Audit Engagement Letter (BWB) for 2019:** We have received and reviewed the engagement letter from BWB for calendar year 2019. **Action Item #3:** The engagement letter will be passed along to the full Board of Education with the Audit Committee’s recommendation that the District retains BWB for 2019.

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7. **External Audit Engagement Letter (FreedMaxick):** We have received and reviewed the engagement letter from FreedMaxick for the fiscal year ending June 30, 2019. **Action Item #4:** The engagement letter will be passed along to the full Board of Education with the Audit Committee’s recommendation that the District retains FreedMaxick for 2019.

Note: The Audit Committee will need to hold a meeting during April at which time our external auditors will present the 2019 year-end audit plan to the committee for review before they come in to conduct it during May. At that time, we can also get an update from Mr. Thiel on his findings regarding #2 above. Mr. Boyle will coordinate a date and time with committee members and Ms. Barrett from FreedMaxick.

Next Meeting Date -Thursday June 13th 2019 - 7 AM at FEC.

Respectfully submitted on
March 25, 2019 by P. Boyle