

**Frontier Central School District – Audit Committee Meeting Minutes**  
**Thursday April 16, 2020 @ 8:00 AM – Virtual Meeting**

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**Attendees:** Kathryn Barrett (Freed Maxick CPAs, P.C.), Nancy Cox, J. Mark Robinson, William Thiel, and Patrick Boyle

Virtual meeting began at 8 AM via Google Meet. All five participants were in different geographic locations. Thank you to Mr. Thiel for scheduling the meeting and sending out invitations.

1. **Presentation of Audit Plan for the Year Ending June 30, 2020:** Kathryn Barrett of Freed Maxick walked the committee through the audit plan (file attached as “Frontier Central School Audit Plan 2020.pdf”). The committee had the opportunity to ask questions and review the timeline. Following are a few highlights/comments from Ms. Barrett’s presentation;
  - The Freed Maxick team assigned to District is almost all the same professionals that were on the audit last year. The District appreciates this consistency as it minimizes training efforts and allows everyone to focus on the business operations and controls.
  - Freed completed their preliminary field work last week and is doing as much virtually as possible having our employees upload documents remotely to Freed’s secure web portal.
  - Foundation Aid for 2020/2021 fiscal year is frozen at the 2019/2020 amount and includes a “Pandemic Adjustment” equal to the amount the District is expected to receive through the Federal stimulus program.
  - Due to the impact of the COVID-19 pause, the District’s finances (e.g. potential revenue reductions in NYS sales tax and state aid) and usage of District’s Fund balances to off-set shortfalls will be affected this year and potentially next year.
  - The District offered a retirement incentive this year. Employee Benefits Accrued Liability Reserves (EBALR) will be used to fund the cost of the incentive.
  - NYS Board of Regents adoption of Education Law 2D (January 2020) around data privacy and data breaches require Districts to modify policies, educate all employees, and change procedures for employees usage of third-party software. Mr. Theil noted that the District has recently hired a Data Privacy official and is well along the road in addressing these new requirements.
  - Two GASB changes scheduled to be effective June 2020 and June 2021 may each be postponed one year until June 2021 and June 2022 respectively. They are GASB Statement No.84 – *Fiduciary Activities* and GASB Statement Number 89 – *Leases*.
  - Freed’s work on the Single Audit in late summer may be challenging depending upon the state of the COVID-19 pause.
  - There are questions about whether or not Districts should continue to pay third-party vendors for contracted services currently not being delivered due to the schools being closed. Everyone (state-wide) is waiting for guidance from the NY State Education Department on this issue.
  - Target date for final draft presentation back to this committee for review is late September with a completion target of Oct. 2, 2020.

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- Target to recommend acceptance of the Audit Report to the full BoE is Oct. 6, 2020, to enable filing with the NY State Department of Education by the Oct. 15, 2020 deadline.
2. **Review Internal Claims Auditor Report for March 2020:** The report from Mr. Kofod for March was forwarded to all committee members via e-mail for review. Only one item was noted as requiring additional investigation. Thank you to Mr. Kofod and the entire staff during these challenging times for continuing to follow policies and maintaining District accounting controls.
  3. **Rotation of On-site Business Office Staff during COVID-19 Operations:** Mr. Thiel reported that the Business Office staff at FEC is being rotated between on-site and at-home to minimize the number of employees actually at FEC on any given day while continuing operations. The staff has done an excellent job of ensuring payroll, accounts payable, and ordering of supplies continues as necessary.

**Next Scheduled Meeting Date** -Thursday June 18, 2020 - 7 AM at FEC.

Respectfully submitted on  
April 16, 2020 by P. Boyle