

**ROMULUS CENTRAL SCHOOL
ROMULUS, NY 14541**

**BOARD OF EDUCATION
AUDIT COMMITTEE MINUTES
5:30 P.M. – SEPTEMBER 23, 2008**

PRESENT: Anna Morgan; Cornelia Johnson; Laurie Asermily; Rhonda Dickenson (Arr. 6:00 p.m.)

OTHERS PRESENT: Robert Boulware – Business Manager; Leanne Keel – Recording Secretary Audit Committee; Alan Corlett – Claims Auditor; Larry Driscoll – Internal Auditor; Thomas Lauffer – External Auditor ((Firm of Raymond F. Wager)

The official BOE Audit Committee was not appointed as of the date of this meeting. However, all BOE members were invited to attend.

Claims Auditor Report

Mr. Corlett reviewed the Audit Checklist which consisted of 11 items that were used as a guide in conducting his audit. He stated that “in general, everything is in pretty good order.”

The following were explained:

- Karen Kelly, Head Custodian/Safety Officer, a WFL BOCES employee who we share with Seneca Falls CSD, will ‘**sign off**’ on Custodial invoices such as **utilities and fuel oil**. She will also **keep a spreadsheet to track usage of same**.
- If a purchase will be over \$10,000, a bid must be obtained from the vendor(s). Mr. Corlett indicated that it would be a good practice to obtain quotes if under \$10,000. Currently, RCS is not doing this as was cited in his example of the purchases made from Seneca Office Supply, Seneca Falls, NY for the 2007-08 school year.
 - . **Mr. Boulware stated that the CBO will monitor this process to “make sure that regulations are followed as well as other preliminary steps on procurements.**
- Mr. Corlett mentioned that shipping charges are not being added into a Purchase Requisition. He suggested that 10% be added to the cost to cover shipping and handling.
- **Mr. Boulware stated that a formal process will be established for the receiving of purchased items to ensure they coincide with Purchase Orders. This will include a checking-in/signing-off system.**
- **Mr. Boulware will draft a response to this Audit for the Audit Committee.**

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Internal Audit Report

Mr. Driscoll stated that this is the Year Two Risk Assessment Update which concentrated on purchasing and payroll.

He described the following findings and recommendations:

- State Aid and Grants: Mr. Driscoll stated that this continues to be a problem and “tightening up on Grant administration” needs to be done; i.e., charging expenses right away to the Grants, timely expenditure of Grants and filing of carry over.
 - . **Mr. Boulware stated that he and Mr. Hoose will be overseeing this in the 2008-09 school year.**
- Purchasing: Purchasing policies need to be consistently followed, specifically the obtaining of quotations and bids (as also discovered by the Claims Auditor).
- Payroll and Personnel: Written documentation should be established regarding changes in salaries/hiring.
 - . **Mr. Boulware stated that this has already been accomplished with the creation and implementation in the Spring, 2008 of a Personnel Action Summary Form. Mr. Driscoll was provided with a copy at this meeting by Ms. Keel.**

External Audit Report

Mr. Lauffer complimented Mr. Corlett on his report and the professional training he has been attending. Also stated was that the District is doing a “very nice job” with adjusting Journal Entries since they are reviewed by Mr. Socola (CBO) and signed off by Mr. Boulware.

The District’s Financial Executive Summary for years ended June 30, 2008 and 2007 was reviewed by **Mr. Lauffer** who stated that he **will be doing a full audit presentation at the October 28, 2008 BOE meeting.**

- The School Lunch Fund has continued to experience difficulty and “RCS is still digging out of a hole” due to the cost of food, labor, participation numbers of students, and selling costs.

Overall, RCS is “moving in the right direction.”

LEANNE KEEL, DISTRICT CLERK AND AUDIT COMMITTEE RECORDING SECRETARY

