

**ROMULUS CENTRAL SCHOOL
ROMULUS, NY 14541**

**BOARD OF EDUCATION
AUDIT COMMITTEE MINUTES
5:30 P.M. – NOVEMBER 11, 2008**

PRESENT: Anna Morgan; Cornelia Johnson; Laurie Asermily; Rhonda Dickenson; Brian Sparrow (Arr. 5:50 p.m.)

OTHERS PRESENT: Michael Hoose – Superintendent; Robert Boulware – Business Manager; Leanne Keel – Recording Secretary Audit Committee; Thomas Lauffer – External Auditor (Firm of Raymond F. Wager)

The 2008-09 BOE Audit Committee is comprised of the whole membership of the Board of Education.

External Audit Report

Mr. Lauffer reviewed the Financial Executive Summary for years ended June 30, 2008 and 2007. Mr. Boulware stated that at the October 14, 2008 BOE meeting, the Independent Auditor's Report was accepted because October 15, 2008 was the final submission date to NYSED, Office of Audit Services. The Comptroller's Office also was sent a copy, as well as Standard & Poor's.

- Mr. Lauffer mentioned that we have a 4% carry-over, as allowed by law, into the **Undesignated fund balance** for a total of \$129,089.
- Mr. Boulware mentioned that the RCS Bond rating is a little better than most school districts.
- Mr. Lauffer stated that the GASB 45 **Retiree Health Obligation** for RCS is 26 employees for \$65,000/year. Mr. Boulware then indicated that RCS has hired an Actuary through WFL BOCES (EBS) who handles all concerns related to this obligation. And, in June, 2009, the Actuarial Report will reflect our long-term obligation to the retirees.
- Mr. Lauffer reviewed the **Management Letter** for the year ended June 30, 2008, and Mr. Boulware stated that he will prepare a response to this document.
- As of today, November 11, 2008, an inventory of equipment and **fixed assets** was being conducted by an agency hired by our insurance company, NYSIR. A report on their findings is anticipated in early 2009.
- Other **deficiencies** referred to are as follows:
 - . Bidding: In their examination, the purchase of athletic equipment did not appear to be competitively bid.
 - . Payroll: Discrepancies on withholding forms and withholdings on the payroll system were discovered. Mr. Boulware stated that Mr. Socola will prepare a response.

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- . Internal Accounting Controls: Currently, the software generates audit trail reports which, mostly, are for Mr. Boulware's review. However, the Auditors recommend these reports are reviewed and approved monthly.
- . Capital Project Final Cost Reporting: Mr. Boulware mentioned that today he presented Mr. Lauffer with a copy of our Reconciliation Statement.
- **Tax Sheltered Annuity Contributions:**
 - . Since September, 2008, RCS has been using the services of the Omni Group to oversee the compliance with new regulations/laws. Mr. Boulware stated that an RCS employee can use any TSA if Omni has a signed agreement between the employee and Omni.
- **Long-Term Financial Planning:**
 - . Mr. Lauffer stated that the Auditors recommend continuation of District review for our Reserve Accounts.

Overall, Mr. Lauffer stated that RCS is in good financial condition.

He left the meeting at 6:15 p.m., and the Audit Committee adjourned.

LEANNE KEEL, DISTRICT CLERK AND AUDIT COMMITTEE RECORDING SECRETARY