



BATAVIA CITY SCHOOLS

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Scott C. Rozanski, Business Administrator

April 26, 2007

Minutes of Audit Committee Meeting (4/24/07)

Audit Committee Members Attending: Wayne Guenther, Phillip Ricci, Gary Stich, Chris White.

District Employees attending: Richard Stutzman (Superintendent), Scott Rozanski (Business Administrator) and Barbara Kapperman (District Treasurer/Purchasing Agent).

Also attending: Mr. Thomas Lauffer and Ms. Nicole Gorski (Raymond F. Wager CPA, PC)

Meeting with the Internal Auditor: Mr. Lauffer and Ms. Gorski reviewed the tentative risk assessment document. The audit committee then went into executive session. After executive session ended the audit committee decided that the District would further test the following three areas: Payroll, Treasurer and Fixed Assets. The audit committee and District will begin work on responses to the risk assessment, develop an action plan, prioritize and refine its processes.

Audit Committee Minutes: The minutes from the 2/20/07 audit committee meeting were tabled until the next meeting.

Reimbursements: There is a concern among staff regarding reimbursements. At times original itemized receipts are not always available and claims being submitted for reimbursement are being denied. The audit committee is being asked to consider using the IRS per diem rate not only for budget purposes but also for reimbursements. This change would allow employees to be reimbursed without submitting receipts. Mr. Rozanski will check to see if any Genesee County districts are currently reimbursing employees by the per diem procedure. The audit committee also requested a copy of the purchasing policies to review.

Internal Claims Auditor RFP: Mr. Rozanski provided the audit committee with the two RFPs that were received from Francis G. Marchese CPA and Rotenberg & Co. LLP. Mr. Rozanski will check references and questions from the audit committee will be provided to Mr. Rozanski in approximately one week. The audit committee will interview each of the firms on May 22, 2007.

Student Accounts (advances) – Discussion on this procedure was tabled until the next meeting.

School Aid Specialists (SAS) – Mr. Rozanski asked the audit committee to consider a proposal from SAS to perform a revenue audit. The district had a similar audit done in 2004 and approximately \$200,000 in additional revenue was recovered. Mr. Stich will ask the Board of Education to approve the proposal. If nothing is found then there is no fee. If additional revenue is found then the District will pay 15% of the findings.

Claims Auditor Workshop: Ms. Kapperman provided the audit committee with a packet of information/note from a NYS ASBO Claims Auditor Workshop she attended.

Claims Auditor, Internal Audit Function and the Audit Committee – The hardcopy of the email document was provided to the audit committee. This document is from NYS Education Department – Management Services.

NYSSBA Functioning Audit Committee Workshop – Information on the Functioning Audit Committee workshop was handed out. It was determined that either Mr. Rozanski or Ms. Kapperman would attend from the District. Mr. Stich and Mr. Mungillo expressed an interest in possibly attending. They will notify Mr. Rozanski directly if they decide to attend.

Risk Assessment Effectiveness and Reporting Workshop - Information on the Risk Assessment Effectiveness and Reporting Workshop was handed out. It was decided that no one from the audit committee would be attending this workshop.

IRS 403B – The discussions on the NYSASBO Workshop and the Roth 403B/Deferred Compensation Plans was tabled until the next meeting.

Information Technology – Information was provided but discussion was tabled until the next meeting.

Next Meeting: The next tentatively scheduled meeting will be May 22, 2007 at 5:30 PM in the Board Office Conference Room located at 39 Washington Avenue. Internal Claims Auditor interviews will be conducted at that time.

Respectfully Submitted,
Scott C. Rozanski
Business Administrator/Board of Education Clerk