

Minutes Audit Committee Meeting – June 15, 2021

Via: Zoom

Attendance: Trustees Mark Kokanovich; Larry Davis; Karen Hatch
Lou Alaimo, Assistant Superintendent for Administration; Dahlia Watts, Director of Finance;
Tom Zuber (External Auditor); Jim Buffum (Internal Auditor)

Discussion Topics and Minutes/Action Items

1. Review of Minutes from February 9, 2021 meeting
 - Minutes from February 9, 2021 were reviewed and approved.
2. Review of Claims Audit Report (February – May 2021)
 - The claims audit report from our claims auditor Michelle Norton was presented.
Discussion followed.
3. Review of Internal Audit – Focus Area Accounts Payable
 - The internal audit report focus area of Accounts Payable was presented by Mr. Jim Buffum. The objective of the internal audit was to evaluate the internal controls and processing of the District's purchasing and disbursement process. Mr. Buffum explained that the District has maintained stability with key personnel in this area and the procedures are operating effectively.
4. Discussion of Preliminary & Regular Audit process
 - The preliminary and regular audit process was discussed by Mr. Tom Zuber. Mr. Zuber discussed the scope and approach of the year end audit, the District's responsibility regarding managing fraud risk, and other items such as the new GASB 84, CARES Act and Cyber Security.
5. Review of Reserve Funds Plan
 - The June 30, 2021 Reserve Funds Plan Document was reviewed and approved. The Committee discussed prioritizing year-end funds and the importance of reducing the reliance on reserves and fund balance.
6. Capital Project Update
 - Mr. Alaimo provided the committee with an update on the construction planning and the upcoming borrowing recommendation from the District's financial advisors.
7. Other Item
 - Hiring a substitute claims auditor as a backup was discussed.