

**Olean City School District
Audit Committee Meeting
410 West Sullivan Street
Monday, October 15, 2012
12:00 p.m.**

Present: **Laurie Branch
Amy Giachetti**

**Kathy Elser
Vicki Zaleski-Irizarry**

Guest: **Dan Stetz**

Observer: **Ira Katzenstein**

Internal Claims Auditor Update – Dan Stetz reported the following:

Summary of Exception Report findings from May through September

Payroll audits are continuously conducted

Conducted summer inspection (blanket Pos) – nothing was out of the ordinary

Maintenance is doing a much better job supplying detailed information (room #, etc.)
of where supplies are being used

Recent Risk Assessment Report Recommendation for Internal Claims Auditor

Dan will conduct 10% test sampling of purchases

(ie. when the person entering the PO is the same person that is receiving the goods (ie,
textbooks, equipment, etc.)

Variable could be more than 10% if needed

Purchases that cost over \$5,000

Walkable items such as technology items, maintenance items/tools

The committee asked whether or not Dan could be a sample on a particular day
when a shipment of purchased goods arrives

Internal Claims Auditor - Job Description

The description was review – no changes or modifications were noted

The audit committee will conduct an annual evaluation

Internal and External Auditors – Engagement Letter

Brock, Schechter & Polakoff, LLP letter was provided to the committee members

Attorney(s) – Engagement Letter

School attorney rate fees for the 2012-2013 provided to the committee members

Billing rates were not increased

Attorneys are retained and used on an “as needed basis”

When invoices are submitted to the District – the invoice includes the date/hourly billable
time/service provided/District employee to whom the service was provided to – the invoice is then
submitted to such employees and they have to sign off
that services were rendered

Committee Goals for the 2012-2013 School Year

Policies Procedures for HR – will be conducted in the Spring

Continue to monitor the Internal Controls Tracking Sheet

Supervise and evaluate auditors (internal, external, and claims)

Capital Project testing

Other

Budget line items – in the event a line item goes over budget the Superintendent of Schools and/or
Business Administrator approve a transfer that is less than \$50,000; a budget transfer over \$50,000 requires board
approval – when necessary, the transfer is placed on a board agenda for approval (backup document is included in
the board packet).

Meeting adjourned at approximately 12:35 p.m.

Next meeting: Monday, November 19, 2012