

**CRCSD Audit Committee
Fifth Regular Meeting of the Fiscal Year
Noon-1:30pm, April 22, 2020
Virtual-Zoom Meeting**

Attendance: Gary Becker, Drew Yoder, Whitney Schreder, John Hammar, Tom Hoffman, Dave Nicholson, Sherry Luskey, Maureen Oviatt, Scott Arensdorf

Absent: Wendy Lynn

Guests: Linda Noggle (CRCSD Human Resources), Jordan Valle (RSM) and Chris Koerperich (RSM)

Review and approve minutes from the January 22, 2020 committee meeting:

Mr. Becker asked for any corrections to the minutes. Mr. Hoffmann motioned to approve the minutes as written, it was seconded by Mr. Hammar and the minutes were approved.

MIIP Update:

Ms. Noggle reviewed the reports provided by MIIP. Highlights included the CRCSD fund balance which has improved significantly from approximately a negative \$1.25M to a negative \$251K. Discussion followed on the adjustments that have been made to CRCSD insurance benefits which have impacted this result. Future MIIP conversations will include guidelines on the application of credit and surcharge amounts for member premium costs as well as plan design/blended rate changes.

Review bookkeepers' response to results of the agreed upon procedures (AUP) audit for the Student Activity Fund (SAF):

Ms. Luskey reported on the responses from the five locations that had findings. She reported that all responses addressed the problem issues and that she had no concerns moving forward.

Review and approve the scope of the FY20 independent audit:

Mr. Koerperich reviewed the RSM FY2020 Arrangement Letter explaining the scope and terms of the agreement. He referenced the tentative timeframes for the audit review and noted two specific items related to Covid-19: 1) GASB announced no new standards would be applicable this year and 2) the contingency plan for the audit if a virtual audit were required. All members approved the scope.

Review the experience and qualifications of RSM senior auditors:

Review and consider at least once every five years the rotation of the audit partner responsible for the audit:

Mr. Koerperich and Mr. Valle reviewed their resumes and explained their experience working with CRCSD. Mr. Koerperich noted that Heidi Hobkirk, who was the RSM senior manager for the District audit during the last several years, was transitioning to a new role at RSM but would be available to consult if needed; he noted that he will assume the senior manager role.

Review quality control report provided by RSM:

Mr. Koerperich shared a report from BKD CPAs and Advisors. The report indicated that for all audit engagements, at least three managers review the audit work and as well as a peer reviewer. RSM "passed" all reviews.

RSM agreed upon procedures (AUP) engagement for Spring 2020:

Mr. Nicholson asked the committee for approval to cancel the Spring 2020 Activity Fund AUP because of Covid-19 and staff not working. He also noted the new accounting software implementation slated to be effective July 2020 was put on hold until tentatively July 2021. For FY2021, the District will continue in the Grant Wood Finance system and will incorporate Student Activity Fund management within that system.

Review tentative dates/agenda for remaining FY2020 and FY2021 audit committee meetings:

Mr. Nicholson shared the proposed schedule and charter topics for review at future audit committee meetings. The September 9, 2020 was the only meeting discussed that needed further confirmation.

Appoint committee chairperson and discuss next year vacancies:

Mr. Nicholson reported on member terms expiring at the end of this FY2020. Mr. Becker informed the committee that he was not renewing his term. Discussion followed regarding recruitment and chairperson nomination.

Annual audit committee member review survey:

Mr. Nicholson asked if in the current Covid-19 circumstances, he should move forward with the committee member survey tool. There was consensus for Mr. Nicholson to send it to members for completion.

Review of Other Items of Importance:

Local Revenues Report:

Mr. Nicholson reviewed the March 2020 report, explaining significant variances compared to the previous fiscal year.

Monthly Summary Financial Report:

Mr. Nicholson summarized the March 2020 financial report of all District funds.

Review any complaints received and status resolution: Mr. Nicholson reported that there were no complaints received.

Review previous meeting comments: There was discussion regarding the status of the committee recommended internal audit position and the challenges for funding.

Meeting Adjourned at 1:30pm

The next meeting of the committee will be on Tuesday, May 19, 2020 at the Educational Leadership & Support Center, 2500 Edgewood Road NW.

By: _____
Gary Becker

By: _____
Sarah Brown