



**BATAVIA CITY SCHOOLS**

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*Scott C. Rozanski, Business Administrator*

October 13, 2011

Minutes of Audit Committee Meeting (October 3, 2011)

Audit Committee Members attending: Amy Barone, Gary Stich, Wayne Guenther, Jim Mungillo, Phil Ricci

District Employees attending: Margaret Puzio (Superintendent), Scott C. Rozanski (Business Administrator), Sally Sanford (Treasurer), Pam Buresch (Medicaid Compliance Officer)

Others Present: Nancy Mitchell (claims auditor); Dave Mancuso and Kathryn Barrett (Freed MAXick Battaglia)

**Claims Auditor:** Nancy Mitchell reviewed the findings from August and September. There are no significant findings to report.

**Medicaid Update:** Pam Buresch reported that all required training of District staff has been completed. Credentials of in- district Medicaid Service providers have been verified before the start of the school year and are verified monthly. Out of district providers have been difficult to verify. The district continues to spend a significant amount of time trying to obtain documentation and following up on out of district providers. The district is maintaining records of communications and problems with ODP providers in the event of an audit. The possibility of the District withholding payment to the providers for their services rendered until district concerns are resolved was also discussed.

**Internal Audit:** Mr. Rozanski presented the audit committee with the finalized 2010 and 2011 internal audit. The BOE will be asked to approve the audit at the Board of Education meeting.

**External Audit:** Mr. Mancuso presented the draft external audit report by discussing the District's MD&A and a few other important figures from the audit. Mr. Mancuso also reviewed the draft letter to the Board of Education which specifically discussed the audit and findings. Mr. Rozanski will prepare a response to the findings for inclusion in the report. The responses will be sent via email for the audit committee to review and then will be finalized.

**Minutes:** The minutes of the July 25, 2011 audit committee were approved.

**Insurance Review:** NYS School Board Association will be coming out later this month to begin the process for a complete independent review and process an RFP for insurance.

**Tax Cap:** Mr. Rozanski has attended a workshop provided by the NYS Comptroller's Office. There has been minimal guidance to schools at this point in time because other municipalities are currently implementing the tax cap. Generally speaking, there are some minor adjustments that a District can consider to adjust the tax cap but official clarification on these adjustments is still needed. The consolidation meetings have proved somewhat successful as participation is generally strong and input has resulted in some ideas that the District is considering.

**SAS Update:** SAS and the Board of Education have agreed to a settlement of SAS's claim against the district regarding High Tax Aid. The settlement eliminates any future liability for the District.

**Banking:** The District has enacted procedures to enhance security over District bank accounts. Positive pay and ACH debit block are now in effect. Positive pay requires the district to send a file to the bank after each check run. The bank will not cash checks unless the payee, amount and check number all match. ACH debit block restricts debits from our bank accounts unless they are approved by the District.

**Next Meeting:** The next meeting is tentatively set for January 23, 2012.

Respectfully Submitted,

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