

**RICHMOND SCHOOL DISTRICT
FINANCE MEETING**

N56W26530 Richmond Road, Sussex, WI 53089

District Administrator Office

March 6, 2019

Minutes

Cindy Milgram called the meeting to order at 5:33pm. Present at the meeting were Board members Cindy Milgram and Victor Frangopoulos, District Administrator Jeff Weiss and Teacher Representative Cindy Bubolz (for Rachel Landis). Statement of public notice was confirmed.

The first item discussed were the 2019-2020 Arrowhead Area 66.0301 Agreements, to include: Summer School, Band, Summer Band Camp and Summer Co-Curricular Jazz Band. There were no changes to these contracts so the committee recommended they be approved by the Board.

The second item on the agenda was to review Policies #657-Revenue from Public Grants, #672-Authority to Make Purchases and Enter into Procurement Contracts and #683-Management of Capital Assets. Policy #657 was discussed for relevancy and need to update because there is no WASB policy like this. After reviewing state statutes cited in the current District policy, the committee asked Jeff to contact WASB Attorney Dan Mallin for clarification and cross-reference if other Richmond policies cross-reference the cited state statutes. Jeff will contact Dan Mallin for further discussion and bring the findings back through the Finance Committee at a future meeting. The committee suggested edits for policies #672 and #683, based on WASB and audit recommendations, which will be presented to the Board for first read at the March Board meeting.

The third item on the agenda was a discussion around Fund 46, Long-Term Capital Investment Trust Fund. This fund allows districts to put money into this fund to be used for a Board-approved long-term (minimum of 10 years) capital improvement plan, such as HVAC units, roof replacement, plow, etc.; Fund 46 assets may not be transferred to any other school district fund and a separate checking and/or investment account for these funds is required. Additionally, funds may only be accessed five years after the establishment of the "trust" fund. Jeff noted that the positive implications of utilizing Fund 46 would be that 1) the District could get state aid on this amount and 2) it can only be used for long-term planning for facilities as a ten-year plan is needed. He noted the negative impact of using Fund 46 would be that all expenses out of the fund are according to the Board-approved long-term capital improvement plan; however, the Board can adjust the plan every year. Deposits to the account would be made in June of the fiscal year and annual deposits are not required. The Committee recommended that this be presented as an Item of Information at the March Board meeting.

The fourth agenda item was a discussion about wire transfers in the District; there is not a policy on wire transfers, which is why it is being discussed by the committee. Town Bank, one of the approved District financial institutions, allows any of the three (3) Board officers (President, Treasurer or Clerk) to initiate and authorize a wire transfer. The Board is uncomfortable with this practice and has asked that there be greater protocol around wire transfers, allowing for better internal controls and transparency. The

recommendation was made that the District Administrator be the only one that can initiate a wire transfer and either the Board President or Treasurer can approve it. The Finance Committee agrees with this recommendation and asked Jeff to contact WASB for a policy number and language to formalize District protocol. Jeff will contact WASB and draft a policy to be brought to the Finance Committee for future review.

The fifth item on the agenda is the auditor contract with Reilly, Penner & Benton LLP (RLP) CPAs. The committee reviewed the contract, after WASB did, and agreed with the suggested changes regarding 4) Schedule Changes in Net OPEB Liability and Related Ratios, 5) Schedule of Employer Contribution and the inclusion of additional language regarding if significant additional time is necessary it will be discussed with the District and mutually agree to a new fee estimate before the additional costs are incurred. The committee recommends that the contract be presented to the Board for approval.

The final item on the agenda was the Audit Disaster Plan, recommended for creation by our auditors, Reilly, Penner & Benton LLP, after they concluded the District audit. The concern identified was that “the District does not have well defined, written disaster recovery procedures”, which was cited in the final report to the Board by the RLP CPAs. Jeff articulated to the committee what the District practice is, but confirmed there was not plan documented because all data is stored off-site and can be accessed remotely. After discussion, the committee asked that the protocol be documented for what happens in an emergency and the document be located on the District drive, for remote access. Additionally, the committee asked that an update be provided to the Board when the documentation is complete. Documenting this procedure will assist with the audit in future years. Jeff also noted that the auditor’s recommended that the District review its procurement policy, which was an agenda item discussed earlier at this meeting by the committee.

Cindy Milgram adjourned the meeting at 6:39pm.

Minutes respectfully submitted by Cindy Milgram, Chairperson.