

*Oneonta City School District  
Finance/Audit Committee Meeting Minutes  
November 16, 2021*

The meeting began at 3:34pm.

Members Present: Lisa Weeks, Business Manager; Joe Temming, Board of Education; Tom Brindley, Superintendent

Members Absent: Amy Burnsworth, Board of Education; Mike Iannelli, Board of Education; Bill Grau, Board of Education

**Review of State Aid Factors-Informational-(handouts)**-A 5 year comparison was provided (generated by Questar State Aid Planning Service). This outlines all the factors that go into determining a districts state aid including aid ratios, district valuations, need indicators and enrollment. A couple of highlights are that our aid ratios are going up and our student need indicators (including free and reduced lunch count) are going down. The decrease in student need indicator is likely due to the fact that fewer families are completing the application since meals are free anyway. We have encouraged parents to fill them out regardless as they are used in aid determinations.

There was also a question about the current transportation aid, which is obviously overstated. It is overstated for a number of reasons. First, the projected information used by the state to determine transportation aid was reported high, based on budget and a normal year and it was not adjusted. Secondly, we know that due to the clerical error made by the district, there will be a negative adjustment of approximately \$200,000. Our initial estimate of the aid loss due to clerical error was \$400,000, so although not good, it will be about half of what we expected.

With the settling of the lawsuit and foundation aid to be run by the formula, we took a look at where our foundation is compared to full phase in amount. Our current year aid reflects an amount higher than the full phase in so we don't expect any additional aid. After consulting with Questar, we believe it is unlikely that they state will make retroactive adjustments to make up for the aid due from prior years.

Definitions of aid factors and acronyms is available if anyone would like to review

**Review Financial Memorandum**-We reviewed the memorandum for the Board of Education Meeting on November 17, 2021. The monthly budget report is presented. This is the first time this year it has been provided as we needed to wait for the audited financial statements and roll over balances. Bassett Hospital contract is continuation of annual services. Cost has not increased. Several donations are presented for acceptance. There are a number of change orders for the Capital Project. This should complete the contract for the General Contractor.

**Reserve Fund Discussion (handout)**-A listing was again provided listing reserve funds that may be used by school districts. The committee reviewed a recommended

adjustment to the existing EBLAR Reserve. This will be presented to the Board at the next available meeting. The adjustment is based on the actual retirement payouts for the past few years as well as the value of compensated absences liability. This will be funded by the unappropriated fund balance in excess of 4%.

There was a question about how much our district still exceeds the undesignated 4% after this adjustment. The amount over after this adjustment is approximately \$1M.

This committee will continue to review the Reserves and come up with some recommendations for the Board. The reserves will become more important to stabilize the budget when the stimulus funding drops off in 2024-2025.

**Review of Grant Funding** (handout)-Grant information was provided outlining source of funds, amount, grant eligibility dates. We also outlined what is covered in these grants, and annual grant funding. This information will need to be considered in the development of our long range plan.

**2020-2021 Risk Assessment Audit Report Update**-An update was provided to the Committee regarding recommendations from the report from Cwynar, Farrow & Locke. As a standing item on our Finance Committee agenda, updates will be provided each month. The Business Office team has met and will continue to meet once per month to focus on cross training and written procedures.

Actual written procedure documents were available for review at our meeting. The manual will continue to be updated and is in a binder in the Business Office.

Our new contract with the Policy Services will address many of the recommendations from our auditor regarding policy.

We are well on our way to implementing the auditor recommendations.

**Other Discussion**-Policy Manual-How will this be presented to the Board. Will there be a review of a few policies at a time?

“Tone at the Top” publication provided by our auditor was provided to the Committee.

Our meeting ended at 4:21pm.

Next meeting: December 14, 2021, 3:30pm

Location: DL Room, Center Street

Respectfully submitted,

*Lisa J. Weeks*

Business Manager