

**Special Meeting Minutes  
Region 9 Board of Education Audit Committee  
Wednesday, December 3, 2014  
9:30 AM**

**Attendance:**

**Committee:** Walter King and Todd Johnston (by phone).

**Administration:** Peggy Sullivan.

**Others:** Scott Bassett, Partner

**I. Call to Order**

Meeting was called to order at 9:35 a.m. by Walter King.

**II. Capital expenditure policy:** A capital expenditure shall be greater than \$10,000 and have a useful life of greater than one year. At fiscal yearend we should review maintenance account for items that should be capitalized under said definition.

**2. Budget transfer policy:** Interdepartmental transfers under \$10,000 can be approved by Superintendent Office; such transfers have to be submitted monthly in report format to the Board of Education. Transfers over \$10,000 have to be approved by the Board of Education.

**3. Independent contractor controls:** Scott reports there are not a large number of independent contractors and that many of them are assistant coaches. He is to review this during his audit of June 30, 2015 fiscal year.

**4. Expense accounts & car expenses** Suggested that all such expense accounts be reported in report format by name, description and amount to be reviewed by Audit Committee on a quarterly basis.

**5. Vendor and employee audit:** Scott reports no exceptions.

**6. Miscellaneous revenue:** This aggregates approximately \$800,000 and consists primarily of Student Activity Funds, such as Booster Club Funds. Peggy described the fiscal controls on these revenues and they were excellent. Scott suggested that in the interests of transparency, Audit Committee see income and expense statement on these accounts quarterly.

**8. Review audit report:** Scott reports less than a handful of adjustments and the books are in excellent shape. Scott was asked why the report was late this year and his response was excess audit time expended on his first year. FASB 67, new this year, was also complex and time consuming to implement. He also reported that our pension liability was well funded at around 80%. Final report will be available in approximately one week. Scott suggested that it was not necessary for Board of Education to review the report since Audit Committee had done so and will report to the Board.

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9. Purchase Policy: present policy is that Board of Education appropriates the funds annually and Superintendents office expends against this appropriation. Individual items over \$10,000 require competitive bidding. Items under this amount are typically purchased from CASBO. Peggy is to provide a copy of policy to Wally.

There were no public observers at this meeting. A motion was made and seconded that this meeting be adjourned.

Meeting was adjourned at 10:45 am.

\* more to follow

Respectfully submitted,

WALTER C. KING II