Olean City School District
Audit Committee Meeting
410 West Sullivan Street
Monday, October 15, 2012
12:00 p.m.

Present: Laurie Branch Kathy Elser 
Amy Giachetti Vicki Zaleski-Irizarry

Guest: Dan Stetz Observer: Ira Katzenstein

Internal Claims Auditor Update – Dan Stetz reported the following:
Summary of Exception Report findings from May through September
Payroll audits are continuously conducted
Conducted summer inspection (blanket Pos) – nothing was out of the ordinary
Maintenance is doing a much better job supplying detailed information (room #, etc.)
of where supplies are being used
Recent Risk Assessment Report Recommendation for Internal Claims Auditor
Dan will conduct 10% test sampling of purchases
(i.e. when the person entering the PO is the same person that is receiving the goods (i.e.,
textbooks, equipment, etc.)
Variable could be more than 10% if needed
Purchases that cost over $5,000
Walkable items such as technology items, maintenance items/tools
The committee asked whether or not Dan could be a sample on a particular day
when a shipment of purchased goods arrives

Internal Claims Auditor - Job Description
The description was review – no changes or modifications were noted
The audit committee will conduct an annual evaluation

Internal and External Auditors – Engagement Letter
Brock, Schechter & Polakoff, LLP letter was provided to the committee members

Attorney(s) – Engagement Letter
School attorney rate fees for the 2012-2013 provided to the committee members
Billing rates were not increased
Attorneys are retained and used on an “as needed basis”
When invoices are submitted to the District – the invoice includes the date/hourly billable
time/service provided/District employee to whom the service was provided to – the invoice is then
submitted to such employees and they have to sign off
that services were rendered

Committee Goals for the 2012-2013 School Year
Policies Procedures for HR – will be conducted in the Spring
Continue to monitor the Internal Controls Tracking Sheet
Supervise and evaluate auditors (internal, external, and claims)
Capital Project testing

Other
Budget line items – in the event a line item goes over budget the Superintendent of Schools and/or
Business Administrator approve a transfer that is less than $50,000; a budget transfer over $50,000 requires board
approval – when necessary, the transfer is placed on a board agenda for approval (backup document is included in
the board packet).

Meeting adjourned at approximately 12:35 p.m.

Next meeting: Monday, November 19, 2012