



**RYE NECK UNION FREE SCHOOL DISTRICT
300 HORNIDGE ROAD
MAMARONECK, NEW YORK 10543
AUDIT COMMITTEE OF THE BOARD OF EDUCATION
FEBRUARY 9, 2023**

Present: Trustee Patty Nashelsky
Trustee Elizabeth Yong (Via Google Meet)
Dr. Eric Lutinski, Superintendent of Schools
Carolyn Mahar, CPA, Assistant Superintendent for Business
Maria Gigi, District Treasurer
Al Hodys, Community Representative
Steve Robbins, CPA (Via Google Meet)
Ron Sanossian, CPA, Sanossian, Sardis & Co., LLP
Mary Ellen Chiera, District Clerk

I. Opening of Meeting

Trustee Nashelsky called the meeting to order at 9:00 a.m.

II. Approval of Minutes

Upon motion duly made by Trustee Nashelsky and seconded by Trustee Yong, it was

RESOLVED, that the Board of Education of the Rye Neck Union Free School District hereby approves the Minutes of the Audit Committee Meeting of October 4, 2022, as submitted.

AYES: All Present
NAYES: None

III. Discussion

Annual Report from Claims Auditor

Mr. Robbins provided his annual written report of his internal claims audits. He reviewed the procedures and summarized the key statistics for the audit period. He stated that there were only 5 exceptions out of the 2,850 claims he audited this year compared to 11 exceptions out of 2,287 claims in 2021. Mr. Robbins stated that the Rye Neck staff corrected the exceptions timely and cooperated fully during the claims audit process. The business office continues to monitor and address the exceptions as needed. The District continues to maintain an overall better exception percentage relative to other Westchester County School Districts with similar disbursement volume.

In addition to his audit of exceptions, Mr. Robbins performs reviews of payroll and bank reconciliations. He stated that there are procedures in place which are being followed by the business office.

Review of 2022-23 Special Project Audit

Mr. Sanossian reported that he conducted his final review of the Capital Project requisitions paid through December 31, 2022 for work completed on Projects C and D and the procedures applied to prime contractor submitted requisitions. He reviewed with the Committee his findings.

In addition, Mr. Sanossian reviewed the summary of borrowing. It was noted that there is still \$1 million that has not been borrowed. The balance of the unused money already borrowed will go into debt service to pay off principal and interest once all outstanding balances are settled. Discussion followed with regard to remediation of the flooring issue in E corridor and the status of the gas and oil tank sump issues.

The Committee will recommend to the Board, at its February 15, 2023 meeting, that it accept Mr. Sanossian's report.

Finally, discussion was had regarding the topic of Mr. Sanossian's special project review for 2023-24. One suggestion was a review of the District's data security.

OSC Health Insurance Cost Savings Report of Examination

Mrs. Mahar reviewed the draft report from the Office of State Comptroller with regard to a potential health insurance cost savings. The report reflects what they believe the District could save if we offer a health insurance buyout. Discussion was had regarding the OSC's suggestions. Mrs. Mahar stated that the District needs to reply within 45 days and shared with the Committee the draft response.

NYSED Desk Review of Education Stabilization Funds

Mrs. Mahar advised that New York State is conducting a desk review of the District's use of its federal Covid grant funds. She stated that the business office submitted the requested information last week and expects to receive a response at the beginning of March as to whether or not we need to take any corrective actions. We will then have until April to submit a corrective action plan.

IV. Setting of Date for Next Meeting

The next Audit Committee Meeting was scheduled for Wednesday, May 24, 2023, at 9 a.m.

V. Adjournment of Meeting

Upon motion duly made by Trustee Yong and seconded by Mr. Hodys, it was

RESOLVED, that the Audit Committee Meeting of February 9, 2023 be adjourned.

AYES: All Present

NAYES: None

Chairman Nashelsky adjourned the meeting at 9:55 a.m.

Respectfully submitted,

Mary Ellen Chiera
District Clerk