

Audit & Finance Committee Charter

2022-2023

Chair: Ruth Bruning, Board Member

Members: Hillary Austin, Superintendent
Jay Hillman, Director of Educational Services
Lindsey Tice, Business Official
Sara Lattin, Board Member
Ruth Bruning, Board Member
Jonathan Wilbur, Board Member
Community Member TBD

Article I. Charge to the Committee

Legal Basis:

The Audit part of the Committee is hereby constituted and continued in accordance with New York State Education Law §2116-c and charged by the Board of Education to perform all functions required of such Committee by the Education Law, the Regulations of the Commissioner of Education, and the Laws of the State of New York.

Advisory Role:

The role of the Audit Committee shall be advisory and any recommendations it provides to the Board shall not be substituted for any required review and acceptance by the Board of Education.

The Finance part of the Audit & Finance Committee is hereby created and charged by the Board of Education to provide oversight to all major District revenues, expenses, investment practices, and policies and practices related to the management of District finances. The Committee shapes strategic directions for finance and monitors all policies related to the financial administration of the District. The Committee provides guidance to management on the financing of strategic initiatives and District goals.

Article II. Term

This Charter is effective from July 1, 2022, through June 30, 2023, subject to amendment or revocation by the Board of Education.

Article III. Chair

There shall be a Chair, appointed by the Audit/Finance Committee. Vice-Chairs may be appointed by the Chair from among the members of the Committee to assist in the operation of the Committee.

Article IV. Membership

Number and Qualifications:

The Committee shall consist of at least 3 but no more than 7 members, including a maximum of 3 Board members and 4 non-Board members with appropriate qualifications and expertise. Committee members cannot be current employees of the district or employed by the district within the past two years, persons connected with District vendors or service providers, or persons with close or immediate family members who are District employees or service providers, or as otherwise prohibited by law. The non-Board members can reside within or outside the District. Members should collectively possess knowledge in accounting, auditing, financial reporting, and school district finance.

Appointments:

Members of the Committee may be appointed by the Chair, subject to the approval of the Board of Education. The Chair shall be responsible for submitting candidates to the Board of Education in the same manner that other action items may be placed before the Board.

Terms of Office:

Committee members shall be appointed to one-year terms. Board members whose Board terms expire for any reason shall immediately cease to be members of the Committee, and the Board shall appoint a replacement to complete the balance of that Board Member's term. The Board may alter terms upon any annual reauthorization of the Committee and all prior appointments shall be subject to such revised terms as the Board deems appropriate.

Removal:

Members of the Committee shall be removed due to three unexcused absences. An unexcused absence shall include, but not be limited to, instances where the member failed to notify the Chair of such absence prior to the meeting. A member shall be deemed to have resigned where there are three consecutive unexcused absences. Members of the Audit Committee may be removed by the Board of Education.

Resignation:

Members may resign at any time by communicating such resignation to the Chair, the Board President or the Board Clerk.

Article V. Powers

Scope of Powers:

The Committee shall have no power to spend money or commit the District to any course of action. The Committee shall be subject to all Policies and Regulations of the District and to applicable law. The Committee may make recommendations to the Board of Education or the Superintendent, as appropriate, to take actions for the benefit of the District.

Meetings:

Meetings of the Committee shall be scheduled, posted, and conducted as required by the Open Meetings Law. The Committee may also conduct an executive session as permitted by the New York Public Officers Law or Education Law §2116-c (7).

Decisions:

The Committee should, in the first instance, attempt to make decision by consensus. If consensus cannot be reached, the Committee can make decisions by majority vote. No decision or recommendation shall be recognized as an act of the Committee without agreement of a majority of the membership.

Information:

The Committee may request of the District administration any information the Committee believes is necessary to conduct its work, but the administration shall not disclose any information otherwise kept confidential by the policies of the District or by applicable law without specific authorization of, and subject to any terms imposed by, the Board of Education. The Committee may also seek guidance from the School Attorney as needed to complete its obligations, subject to approval by the Board for any legal fees not already approved by the Board.

Article VI. Obligations

Annual Objectives. It shall be the responsibility of the Committee to complete the following per Education Law §2116-c:

1. Provide recommendations regarding the appointment of the external auditor for the District;
2. Meet with the external auditor prior to commencement of the audit;
3. Review and discuss with the external auditor any risk assessment of the District's fiscal operations developed as part of the auditor's responsibilities;
4. Receive and review the draft annual audit report and accompanying draft management letter and, working directly with the external auditor, assist the Board in interpreting such documents;
5. Make recommendation to the Board on accepting the annual audit report;

6. Review every corrective action plan to be developed by the District as required by Education Law §2116-a and assist the Board in the implementation of such plan;
7. Assist in the oversight of the internal audit function required by Education Law §2116-b, including, but not limited to:
 1. Provide recommendations regarding the appointment of the internal auditor for the District;
 2. Review of significant findings and recommendations of the internal auditor;
 3. Monitor of the District s implementation of such recommendations; and
 4. Evaluate the performance of the internal audit function.

The **Finance** part of the committee shall endeavor to achieve the following goals:

1. Provides guidance to management on the accomplishment of Board financial goals and practices
2. Provides representative Board oversight of the District's financial operations
3. Provides community perspective on strategic direction in District financial planning programs
4. Oversees the use of the District Projections Model for gaining insight into ways to improve revenue sources and the effects of certain expense assumptions
5. Represents both external and internal perspectives to assure progressive improvements in District finances
6. Provides an open forum for discussion of critical issues related to the management of financial processes
7. Coordinates work with other Board Committees as needed.

The Committee will analyze and validate information/conclusions and prepare recommendations to the Board on tax levy, special assessments, alternative revenue, sources, fees and rates, financing strategies and new or revised financial policies and controls.

During the annual budget cycle, the Committee reviews department expense requests and revenue projections for the upcoming school year. The Committee serves as a sounding board to District management and school personnel. The Committee asks questions and offers suggestions to improve the budget process. The Committee works on the assumption that District initiatives will be supported in the context of District Committee work, prior decision of the Board and a balanced budget. The Committee:

1. Provides community perspective on the relationship between department, school and District goals and budgets

2. Provides a forum for administrative staff to present their budgets and receive feedback from a community and District perspective
3. Represents both external and internal perspective to assure progressive improvements in District budgeting process
4. Provides an open forum for discussion of critical issues related to the management of District budgets
5. Shares relevant community and school experiences and ideas between the Committee members and school personnel
6. Coordinates work with other Board Committees as needed.

The Committee will analyze and validate information and conclusions regarding the proposed budget and make recommendations to the Board of Education:

1. Provide interim reports to the Board including the nature of the annual fee requests
2. Develop a proposed budget
3. Prepare for the Board a report articulating the Committee's actions
4. Recommend Board of Education adoption of the proposed budget.

Reports:

The Committee shall report on its activities on a monthly basis and as requested by the Board. Reports shall include all subjects required by law and as requested by the Board.