

RECORD OF PROCEEDINGS

SPECIAL SESSION

9107

August 18, 2016

The Gahanna-Jefferson Board of Education met in Special Session on August 18, 2016, at the Gahanna Jefferson Board Office, 160 S. Hamilton Road. The committee meeting started at 7:00 a.m.

ROLL CALL:	Mr. Matthew Campbell	Absent
	Mr. Joe Gottron	Absent
	Mrs. Daphne Moehring	Present
	Mr. Jason Phillips	Absent
	Mrs. Beryl Piccolantonio	Present

ADMINISTRATIVE STAFF PRESENT:	Steve Barrett
	Scott Schmidt
	Julio Valladares

MEDIA PRESENT:	None
-----------------------	------

INVITED GUESTS:	Douglas Ferguson
	Don Garber
	Tim Kraft

GUEST PRESENT:	Ed Thomas
-----------------------	-----------

ITEMS FOR DISCUSSION

- **Purpose:**

The purpose of the finance committee is to take a deeper look into the financials of the district to allow for:

- monthly update on spending compared to the budget
- review policies as applicable to financial operations

RECORD OF PROCEEDINGS 9108

SPECIAL SESSION

August 18, 2016

- C. understanding effects on the five-year forecast of proposed spending
 - D. strategic planning
 - E. focus on our largest expenses i.e. salaries, benefits, facilities, and purchased services
 - F. increased communication with Board that is shared with the Community
- **Goals:**
 - 1) Insure that the district financial position is being managed to greatest efficiency and effectiveness both in the current operating cycle as well as during the five-year forecast period.
 - 2) Strategically plan for future operating cycles and capital expenditures.
 - 3) Have intentional discussions to understand the why behind the expenditures and to verify how it affects teaching and learning.
 - 4) Increase transparency around the budget process.
 - 5) Communicate with community as to the financial position of the district.
 - **Action Items:**
 - Review and edit the draft fiscal beliefs/principles document so that a final version may be presented for acceptance by the committee at the September Financial Committee.
 - Carry Over Appropriation Discussion: Unused appropriations going into FY17 wherein school buildings had a combined \$229,841 allocated and administrative departments had \$1,057,940 in allocations. Questions raised as to how these allocations affected the current appropriations.
 - Administration to review current per-pupil allocations and propose making reductions to allocations to result in a net \$20,000 savings for FY17. Building carryover funds will be allowed to continue.

RECORD OF PROCEEDINGS

SPECIAL SESSION

9109

August 18, 2016

- Administration to review current carryover dollar amounts for district departments. District departments will create budgets based on goals and projects for each department. Carryover dollar amounts for district departments will not automatically be rolled over. District departments will be responsible for building a budget each year based on goals for the department.
 - Treasurer Julio Valladares updated the board on the expenditure process for the administration by creating fiscal notes for any agenda items appearing on the regular board agenda and provided a copy of the format. This will tell the board if it is a budgeted or non-budgeted item and provide a description of the expense.
 - Appropriation Tracking Sheet. Mr. Valladares also updated the board on the new report that will be used to further document expenditures in each department.
- **Presentation by Guests from Auditor of State**
 - Senior Audit Manager Douglas Ferguson from the Auditor of State Office had a pre-audit meeting. The field work for the audit began August 15, 2016. Mr. Ferguson explained that their audits are risk-based. They therefore focus additional audit effort on financial statement elements more subject to misstatement, regardless of whether misstatements could arise from unintentional error or fraud. Mr. Ferguson asked if there were any significant engagement issues that we were aware of since our previous audit the board and administration indicated there were none. Mr. Ferguson shared that this year's audit will focus more heavily on the special education department and the national school lunch program.
- Mr. Ferguson commended the central office administrative staff and Treasurer Julio Valladares for providing timely access and information upon request including the appreciation of using on base as a record-keeping system, he said because of this corporation and organization the audit is moving along very efficiently and our support is much appreciated.

RECORD OF PROCEEDINGS 9110

SPECIAL SESSION

August 18, 2016

- Central Ohio Regional Liaison, Tim Kraft, from the Auditor of State Administrative Division shared information with the committee concerning the option to purchase a performance audit. Mr. Kraft indicated the performance audit would be based on our needs and areas of interest. The process would start with two or three face-to-face meetings to gather initial information to help focus the work of the performance audit and make a determination whether a performance audit was recommended. Many districts engage them to perform efficiency audits and if we want to see examples of the audit reports they can be found at www.skinnyohio.org

The committee requested the report from the previous audit to review for familiarity.

ADJOURNMENT

The special meeting of the Gahanna-Jefferson Board of Education adjourned at 9:07 a.m.

President

Treasurer