

**Saint Louis Public Schools
Audit Committee Meeting
December 12, 2013
Minutes**

The Audit Committee of The Saint Louis Public Schools met on Thursday December 12, 2013 at the SLPS offices.

Members in attendance includes Harry Rich (Chair), Rick Sullivan, Clifton Berry, and Paul Wentzien.

SLPS attendees included Kelvin Adams, Mary Houlihan, Leon Fisher, Anna Munson and Kevin McKenzie.

Attending from RubinBrown were Jeff Winter, Mary Kay Lofgren, Melinda Weissman and Craig White

Attending from Randle & Associates was Jeffery Randle

The meeting was called to order at 3:05.

Attached as a part of the minutes is the agenda for the meeting.

The first order of business was the approval of the minutes from the October 22, 2013 meeting of the Committee.

The second order of business was a review and discussion of the draft reports from the 2013 audit. Initially Jeff Winter covered the required communications, highlighting the staff assigned to the project. He acknowledged that the audit was still a work in progress and that there were several open items yet to be completed. He noted that there had been significant improvements in the timing and adequacy of reports prepared by the Finance area. Craig White reviewed the major points from the CAFR (Comprehensive Annual Financial Report) for the District highlighting the most significant points in the major accounts including the GOB., Capital Assets and Construction accounts. He noted that the District increased both restricted and unrestricted fund balances during the year. He also compared the partial accrual accounts to the Governmental reporting accounts and described the reconciliation between the two.

Melinda Weissman discussed the two findings describing material weaknesses as well as Management's discussion of steps to be taken to correct these deficiencies.

Mary Kay Lofgren reviewed the A-133 findings that rose to the level of inclusion in the report as well as the programs undertaken by Management to correct reporting and control issues in these areas.

There followed a full discussion among the Committee Members, the Auditors, and District Management of the issues raised in the audit, the steps taken to correct the Material Weaknesses in the financial area and the issues reported in the A-133 report, as well as steps to be taken to avoid similar problems in the future. While a number of issues were raised, a recurring theme was that of the need for additional resources in the

accounting area to provide the support for day-to-day reporting as well as adequate support to avoid the number of adjustments and reconciliations at year end.

The Auditors and SLPS Financial Management confirmed that the audit would be completed in advance of the December 31 deadline for submission to DESE. The final audit report as well as RubinBrown's analysis and Management Letter would be submitted to the Audit Committee before final submission of the audit to DESE noting any changes from the current draft reports.

The third order of business was a brief review of the status report of the corrective action plans addressing the issues raised in the State Audit completed in September. A number of the corrective actions have been completed while several others are at various stages of completion with early 2014 completion dates contemplated.

Based on the expected completion date of the audit the Audit Committee will report on the audit to the SAB in January 2014.

Management and the Auditors were excused from the meeting at 4:20 and the Committee met in executive session.

The meeting was adjourned at 4:45.

Submitted by:

Harry E. Rich
Chair