



**Racine Unified School District**

3109 Mt. Pleasant Street, Racine, Wisconsin 53404

**BOARD OF EDUCATION  
AUDIT COMMITTEE  
MINUTES**

**September 9, 2013**

The Board of Education Audit Committee meeting of Monday, September 9, 2013, was called to order at 5:01 p.m.

**Approval of Audit Committee Minutes of August 12, 2013**

Mr. Nielsen moved, Ms. Handrow seconded, to approve the minutes of the August 12, 2013, Audit Committee. All were in favor.

**Review Breakout of District Legal Costs**

Mr. Hazen reviewed the district legal categories and costs. The purpose of the discussion was to consider whether having an in-house legal counsel would be less costly. Having in-house legal counsel would most likely not result in a cost savings but the benefit would be more a matter of making sure the district is legally in line.

**Monthly Financial Update**

Mr. Hazen provided an update of the monthly financials. Information and handouts about trends, adjustments and forecasts were shared with the Committee.

**School Financials Report**

Mr. Hazen reported that the auditing of school financials looks much better than it did.

**2013-2014 Budget**

Topics discussed included:

- Aid Certification – the short form of the district's financials has been sent in. The district is waiting to see if there are any major changes and the board will be informed of any news at a later date
- Discussion and explanation about setting the levy before the budget gets approved in October

**2012-13 Audit Progress Report**

Mr. Hazen said the only problem with the audit last week was that they could not audit Red Apple Elementary because all of the clerical staff was attending a district meeting. Mr. Hazen does not anticipate any other difficulties with the audit completion including with the switching software for school financials.

Mr. Hazen reviewed the unaudited portion of the budget. There is a large unspent vacancy allowance. However, teachers who may be getting lane changes and the vacancies allowance will probably offset each other. This is going to be investigated further to determine the reason(s) for the large unspent allowance.

Surplus monies were discussed. Items included in the discussion about surpluses, savings, and allocations of funds included alternative programs, science labs, technology, HRA payments, referendum construction and the vacancy allowance.

Mr. Hazen said Medco will be coming to talk to the Board of Adjustments regarding the district's prescription plan.

Dr. Haws shared plans for marketing the district and recruitment strategies.

The following items were also discussed:

- Mr. Hazen will investigate new rules on rehiring of employees in terms of how they could affect their retirement fund.
- Food Service utilities and other costs
- Employee Trust Fund (Fund 73) and progress being seen
- Overall Fund Balance – Looks unusually large but a large portion is being paid out for the performance contracts and it will disappear quickly in the near future
- In January/February the board will get a comparative report on utilities costs and savings
- Mr. Hazen will look at the air conditioning of some school cafeterias

### **Other Concerns**

A discussion took place regarding providing for the public a version of the budget which shows the district's priorities in a clearer vision. Dr. Haws said this is being discussed including items like linkages, supports, alignments and long term needs.

### **Adjourn**

Mr. Nielsen moved, Mr. Eperjesy seconded, and with no objection heard, the meeting was adjourned at 5:52 p.m.

### **Others Present:**

Dave Hazen, Chief Financial Officer  
Lolli Haws, Superintendent  
Darlene Gallup, Administrative Assistant

### **Respectfully submitted,**

Christopher J. Eperjesy, Chair (Present)  
Pamala Handrow (Present)  
Don J. Nielsen, Chair (Present)  
Dennis Wiser, Ex Officio (Present)