



# Financial Oversight Committee Meeting

1829 Denver West – Building 27  
Golden, CO 80401

## Meeting Minutes September 3, 2015

### **Financial Oversight Committee Members Present:**

Brian Ballard  
Gordon Calahan  
Mary Everson  
Chris Johnson  
Scott Tarbox

### **Staff Present:**

Dan McMinimee, Superintendent  
Kathleen Askelson, Chief Financial Officer  
Steve Bell, Chief Operating Officer  
Debbie Ranguet, Recorder

### **Committee Members and Staff Absent:**

Mike Bestor  
Bob West

### **Independent Auditor:**

Paul Niedermuller, CliftonLarsonAllen, LLP

**Policies Discussion:** There was discussion regarding Financial Oversight Committee (FOC) related policies that were distributed with the meeting packet. Staff pointed out that all policies are reviewed and updated by district leadership as needed on an annual basis. In response to questions, staff clarified edits that were incorporated in the May 2015 update of DIEE-R.

**Approval of Minutes:** The minutes of the May 6, 2015, FOC meeting were approved by a motion from Mary Everson and seconded by Chris Johnson. The motion carried unanimously.

**Election of Chair:** Following discussion and by unanimous vote of members present, Tarbox will continue as the Chair of the FOC.

### **Updates – Organizational, Negotiations, Audit Committee and Priority Based Budgeting:**

Kathleen Askelson discussed staffing changes and vacancies within the financial services department and noted that several positions were filled including the Manager of Budget & Analysis, Manager of Treasury & Analysis and two Budget Analyst positions and that the Director of Finance position remains vacant. Challenges of filling the director of finance position were discussed.

Askelson updated the committee on the outcome of negotiations. She confirmed that following a collaborative process the union ratified and the Board approved the agreement. Staff will provide FOC members with a copy of the final agreement. Askelson noted that the agreement aligned with student based budgeting to allow for more autonomy to meet the needs of students. There was discussion regarding other districts that negotiate employee agreements, the number of hours spent at Jeffco on the negotiation process this year, and the ten-month contract length. Other discussion included clarification of stakeholders involved in curriculum development, the state's Educator Evaluation System, outcome of Jeffco teachers rated ineffective or partially effective, and the district's ability to remain competitive as other districts raise minimum pay rates.

Askelson provided an update on the Audit Committee meeting in September. She discussed the data pipeline submission audit by Colorado Department of Education and noted that the items listed relate to reporting consistencies for all districts at the state level and do not impact the district's independent audit or opinion as issued. No action is required by the district. Other highlights included a review of the external audit plan by the district's external auditor and an internal audit report and review by the district's internal auditor.

Askelson advised that while the district did not have any negative indicators in last year's State Fiscal Health Analysis report, she anticipates that the spend down of school carryforward will trigger a negative indicator for the district on the next report. She clarified that report is based benchmarks and not necessarily an indication that something is wrong.

**2015/2016 Budget Update and 2016/2017 Budget Development Process:** Askelson advised that the district has ceased work with the third party vendor on the priority based budgeting process that began last year for district central departments to dovetail with the introduction of student based budgeting. After extensive research, staff is pursuing a budgeting model that is recommended as a best practice for school districts and will provide more information as available. Askelson shared that the state is not optimistic about the funding outlook for next year and that TABOR continues to be a challenge. An update on SBB included the purpose, benefits and status to date. There was discussion regarding support for schools, lessons learned, fine tuning of how benefits and enrollment are handled, transparency, reporting tools and accountability.

**2014/2015 CAFR and Audit Update:** Askelson updated the committee on the status of the CAFR and audit. She noted that the district worked closely with the CliftonLarsonAllen, the district's external audit firm, on the new GASB 68 requirements for reporting pension liability. Paul Niedermuller commented on the annual audit and reviewed the audit process for the single audit programs—Federal Food Program and Title II.

**Annual Calendar Meeting Schedule and Financial Policy Review:** Askelson noted that the presentation and review of quarterly financial reports are scheduled to occur at Board of Education study sessions, when possible, in order to provide an opportunity for members of the FOC to have a dialogue with the Board. All FOC members are encouraged to attend these meetings.

There was discussion regarding the annual planning calendar and meeting schedule. Other discussion included capital needs, competitive wages, financing with a bond, the impacts of choice on funding needs, and student achievement.

**Wrap Up and Next Meetings:**

The meeting was adjourned at 1:05 p.m.