



**FINANCE COMMITTEE MEETING MINUTES**  
**March 22, 2021 – 11:00 a.m.**  
**Virtually in the Waupaca High School LMC Distance Learning Lab**  
**Via Google Meet, [Live Stream](#), and By Phone**

**Welcome and Call to Order:**

The meeting was called to order by Committee Chairperson Sandra Robinson at 11:00 a.m.

**Roll Call:**

Present: All members of the Committee were present (Chairperson Sandra Robinson and Dale Feldt in the WHS Distance Learning Lab, and Mark Polebitski virtually via Google Meet). Additionally, Board member Stephen Johnson was present in the WHS Distance Learning Lab, and Board members Patrick Phair, Betty Manion, and Steve Hackett were virtually present via Google Meet.

**Also Present:**

Present in the WHS Distance Learning Lab: Ron Saari, Sandy Lucas, and Carol Beyer-Makuski. Virtually present via Google Meet: Carl Hayek, Mark Flaten, Laurie Schmidt, and Steve Thomaschefskey.

**Approval of Agenda:**

A motion was made by Dale Feldt and seconded by Mark Polebitski to approve the agenda as presented. The motion carried unanimously on a voice vote.

Committee Chairperson Sandra Robinson then advised that this meeting was scheduled due to requests received by the Finance Committee relating to a District balance sheet as well as training on how to read financial documents. She then turned the meeting over to Director of Business Services Carl Hayek to advise of the enhancements made to financial reporting.

**Audit Process:**

Wisconsin public schools are required to have a certified public accounting firm, independent from the District and Board of Education, audit the District each year and submit their findings to the DPI. There are only 55 DPI authorized and recognized, highly selective audit firms in the State allowed to perform school audits, and each follow the exact same GAAP accounting methods and DPI requirements and guidelines.

The District's audit isn't just an annual process, it is a yearlong process. Mr. Hayek provided a timeline indicating the magnitude of an annual District audit process, which includes multiple audits that are completed in preparation for the final audit. Mr. Hayek advised that it may be possible for the Board to review and accept the audit prior to it being published but it would be in draft form, as the draft is usually received by November 28 and the final audit

is due to DPI by December 1. However, as this deadline approaches, there will be communication between Mr. Hayek and the Finance Committee regarding possibly reviewing the audits in submittal format for both the School District of Waupaca and the Chain Exploration Center before December 1. It was added that even though the audit is completed by an independent auditing firm, it is not uncommon for boards to review draft audits to allow management to respond to certain items in the audit.

Mr. Hayek added that every five years there is a membership audit that needs to be completed and that is coming due his year.

**RFP for Audit Services:**

Periodic review of costs and services associated with the audit itself can be sent to market for competitive bids. Pursuant to best practice, Mr. Hayek recommended a 3 year cycle request for services proposal for audit services. Mr. Hayek provided a very comprehensive Request for Proposal document for the Committee’s review.

**The Addition of a “Management’s Discussion and Analysis” to Our Annual Audited Financials:**

Included in the audit as well as in the RFP for Auditing Services is an additional component which allows management to provide what they see as key variable points, financial items of interest, atypical financial impacts, and highlights in a brief narrative. The addition of a Management’s Discussion and Analysis created by management and reviewed by the auditors becomes part of the audit and provides a narrative that Board members could find quite insightful and could highlight or help explain items in the audit. It would also provide a good overview of the financial documents and reports which may help members of the public to better understand the audit as well. It broadens the level of financial communication and transparency.

**Monthly Financial Reports – Modifications and Additions:**

For a better understanding for all stakeholders, Committee Chairperson Sandra Robinson and Mr. Hayek put together a document to serve as a resource in understanding the financial documents of a school district.

Further, the Business Office is expanding the current Budget to Actual Comparison by Fund Groups monthly report to the Board to include all funds (not just Fund 10) going forward.

Much discussion was had as to whether or not a monthly balance sheet should be on the Board’s consent agenda in order to provide more information as well as more transparency to the Board and public. It would provide a snapshot in time showing where the District is at in a given month. However, it was pointed out that because of the cycles the District goes through regarding budget versus actual, a balance sheet report may generate more confusion from the public as a result of the public not fully understanding school finance. The Committee ultimately decided to put the balance sheet report on hold for the time being pending further thought and discussion.

**Budgeting to Support a Strategic Plan:**

The District is in a most favorable financial position as the Strategic Plan is coming into focus. The Financial Foundation is what all other Strategic Plan Foundations are built upon. The Strategic Plan will serve as an added basis when making financial decisions and provides transparency to all our community stakeholders showing we are putting dollars towards our priorities. All decisions are made in harmony among all pillars and cost dollars, but there are ways to pay for it – it is part of the Strategic Plan’s five year plan.

**Other – Committee Members:**

No additional topics for discussion at a future Finance Committee meeting were requested at this time.

**Adjournment:**

A motion was made by Dale Feldt and seconded by Mark Polebitski to adjourn the meeting at 12:08 p.m. The motion carried unanimously on a voice vote.