

Shakopee Public Schools

Citizens' Financial Advisory Committee

Meeting Minutes



July 11, 2017 – 6:00PM
District Office Board Room, 1200 Town Square, Shakopee

The Citizens' Financial Advisory Committee convened at 6 p.m. on July 11, 2017.

Members present included: Jackie Haremza, Adam Johnson, Steven Jones, Allen Larson, Jennifer Smith, Matt McKeand, Reggie Bowerman, Suzanne Johnson, and Kevin Bjerken.

Ad hoc attendees included: Todd Netzke.

Members not present included: Keith Gray.

1. Opening Remarks

The committee went around the table and introduced themselves.

2. Review of 15-16 Budget Variances

Todd Netzke reviewed the year-to-date budget results as of May 31, 2016. Netzke reviewed budget versus actual by object code to demonstrate where the budget was expended. Johnson described the close process for expenditures and revenues for the 2016-17 school year through late fall. Netzke demonstrated how his software is set up to easily show details and to catch any errors.

The committee asked how involved buildings have been in developing their budget. Moving forward Johnson stated that she will be meeting with principals to monitor budgets throughout the year. The Principals will be more involved in verifying staffing and operating expenses with the main goal being to keep open channels between buildings.

3. Overview of budgeting software and how this can avoid future errors

Netzke provided an overview of the budget software. Netzke presented data he analyzed at the time the budget errors were identified and showed examples of where the software highlighted the variances. He demonstrated the checks and balances throughout the software and showed how the data flows within the model. He also showed various budget scenarios built into the software that will assist the district in the budgeting process.

The committee inquired about the budget review process. Johnson explained that the summary reports within the model are presented to the Superintendent, the Board Finance Committee, and the CFAC committee on a monthly basis. Johnson pointed out

that this budget report and program provided by Netzke were not used in the past and that these tools will be very helpful in catching any errors in the future. The committee suggested adding security measures to Netzke's program to include passwords and locking parts of the excel documents.

4. Review Purchase Card (P card) Manual revisions

Johnson described how many employees have a P Card, how employees apply for a P Card, how limits are established, and how P card receipts are processed. Bjerken explained that at the secondary level (junior high and high school) a P Card is more necessary within the individual departments to help with ordering their consumables.

The committee asked the board members how they keep the finance team accountable for following the P Card procedures. The committee expressed an interest in adding a control process for upper level management to have their P Card transactions approved. The committee expressed an interest in defining a procedure for all approvers to guarantee that all P Card users are held to the same standard.

The committee discussed food and whether or not we should allow food at meetings. The committee discussed per diem rates versus reimbursement per meal with itemized receipt. Johnson explained that the Finance Team will be working on an expense policy update next which will clarify how food and travel are to be handled throughout the district.

5. Next steps on P card

The committee discussed what kind of an audit they would like performed to ensure P card policies are being followed. Johnson will price a few of the options and the Committee will decide at the next meeting how to move forward with the P Card audit. The committee would like to start with a sample of about 20 P Cards and look at three months' worth of receipts or a sample of 30 cards and look at one month of receipts.

6. Preference on next meeting topics

The committee decided in order to better understand how to effectively participate in the budget monitoring and revising process throughout the year they would like to do a mock budget planning process. The committee is now prepared to begin talking about the five year plan and long term vision for the budget.

Save the Dates – Please mark your calendars for the following:

Citizens' Financial Advisory Committee Meetings

- September 12, 2017