

Grand Isle Supervisory Union

School Board **Special Meeting**

Friday, February 28, 2020, at 5:30 p.m.

Location: Grand Isle Supervisory Union Conference Room

Agenda

Call to Order

1. Call to Order (M. Maltais) 5:30 p.m.
2. Citizens and/or Staff to be Heard 5:31 p.m.

Board Business.

3. Audit Process (M. Clark)(Discussion) 5:35 p.m.
4. Audit Engagement Letter (R. Gess)(Action)) 5:40 p.m.

Closure

- 5 . Adjourn(Action) 5:45 p.m.

Note: Executive Session: If discussion warrants, and the Board so votes, some items may be discussed in Executive Session pursuant to VSA 1 §313(a)

Discussion Items - Issues the Board needs to discuss and deliberate, but upon which no action is taken at this meeting.

Action Items - Issues that require the Board to make a decision by vote, may have been discussed over several meetings prior to this point.

Consent Items - Routine matters that need no discussion by the Board, but require Board approval. They are grouped together as a single agenda item. Background materials are provided in the Board packet to be reviewed ahead of the meeting. If there are no concerns, they are approved with a single vote. Any member can request the Board remove an item to be discussed and voted on separately. This frees up time at meetings.

Information Items [Incidental Information] - Matters the Board needs to know about, but for which no Board action is needed. The information flow is one way, from presenter to the Board. Questions for clarification are entertained as time allows.

Audit Engagement Letters
Discussion Points for 2-28-2020 Special Meeting

GISU Board

As we work to wrap up the FY 19 audits prior to March 31, 2020 we need to address the Grand Isle School District, Isle La Motte School District, and North Hero School District FY 19 Audits. Unfortunately, these audits were not able to be completed prior to January 1, 2020 at which point the Grand Isle, Isle La Motte, and North Hero School Boards ceased to exist as legal entities under Vermont statutes. In late December, I worked with the VT AOE and our attorney to determine what we would need to do when it was becoming apparent that we would not be able to meet a December 31, 2019 timeline to complete the audits. Unfortunately a quorum of the GISU Board was not able to convene in January or February to discuss the plan and in order to meet the March 31, 2020 deadline to complete the audits we will need to have a special meeting to decide how to move forward.

The Plan

The AOE responded to my requests for technical assistance in December by sending Title 16 §323 and pointing out there is no deadline for the completion of audits in statute. Based on the language of Title 16 §323, I tried to confirm with the AOE that employing the auditors was an SU responsibility. In practice every system, I have been involved in handles the audit process much the same way that GISU has historically handled audits and individual districts employ the auditors with this in mind. The logical plan I suggested was that the GISU Board would have the authority to finish the audit process if the audits were not complete by January 1, 2020. I suggested it might be helpful for the AOE to review this plan and if the plan made sense to provide support in writing. My requests were forwarded to the AOE legal department. The official response I received was "As you know, the Agency can't give you legal advice, only guidance. We'd urge you to consult the SU's attorneys." The AOE attorney did share their personal opinion was the proposed plan did accomplish what the law intended to accomplish. I talked with Pietro Lynn of Lynn Lynn and Blackman our attorney. Pietro's legal opinion was the proposal to have the GISU Board complete the process was the appropriate legal way to move forward.

At the special meeting on Friday, February 28, 2020, we would like the GISU board to approve a motion to authorize a specified person to sign off on the Audit Engagement Letters.

It should be noted that when the audits are complete they will be presented at a GISU Board where we would like the GISU board to approve a motion to accept the Audits.

The audits, when complete, are publicly available on the GISU website and we do print copies upon request.

Please see page 2 for the specific language of Title 16 §323

Title 16 §323 Audit by public accountant

Annually, the supervisory union board shall employ one or more public accountants to audit the financial statements of the supervisory union and its member districts. The audits shall be conducted in accordance with generally accepted government auditing standards, including the issuance of a report of internal controls over financial reporting to be provided to recipients of the financial statements. Any annual report of the supervisory union to member districts shall include notice that the audits have been performed and the time and place where the full report of the public accountant will be available for inspection and for copying at cost. (Added 1966, No. 59 (Sp. Sess.), § 1(c); amended 1987, No. 15, § 2; 2009, No. 44, § 3, eff. May 21, 2009; 2011, No. 129 (Adj. Sess.), § 19, eff. July 1, 2013.)