



Audit Committee MINUTES

Monday, October 16, 2017

5:30 pm – 7:00 pm (Regular Meeting)

Deputy Superintendents Conference Room

(Second Floor)

2020 Bonar Street,
Berkeley, CA 94702

Opening of Meeting and Roll Call of Committee Members

Members present: Isaiah Roter, Dan Lindheim, Judy Appel

Staff present: Pauline Follansbee

Members absent: Josh Daniels, Laurie Snowden

Public Comments

There were no Public Comments.

Assistant Superintendent's Comments

None

Old Business: None

New Business

Review of 2016-17 Unaudited Actuals

How the books are closed; Unaudited Actuals vs Estimated Actuals. Pauline refers to Variance Report on pages 16-21. Elaborates on how the books are closed.

- Estimated Actuals (adopted 2017-18 as of June, last time we changed estimated actuals; 2nd interim with adjustment up until adoption.

Revenues:

In terms of LCFF revenue budgeted, projected \$83.3M came in at \$83.4 the extra \$107K is a positive variance

- Prior year adjustment, had to pay more, pg. 17
- Other state revenue \$136K driven by unrestricted lottery
- Local revenue gains of \$237K
- Revenue for leases fee and leases, we do not project fee's
- Testing and other local revenues estimated and look at budget to actuals. In terms of revenue earned \$300K more than projected.

Expenditures:

Unrestricted general Fund has several programs rolled into it.

- Transportation and
- Special Ed transportation rolled into base funding as part as LCFF.
- LCAP separate resource.
- Common Core, one-time funding

No longer just looking at unrestricted general fund 000 we are looking at several resources together.

Overall budgeted \$90.6 M we spent \$90.1, we have a savings of \$600K. Turn to page 20 you can see the savings

\$662K programs rolled into unrestricted General Fund (unspent balances)

- o PE incentive grant \$48K
- o Sped transportation \$99K
- o LCAP \$281,549 (more details in report)
- o Career technical \$80K
- o Homeless \$73K
- o Other unrestricted \$78K

The challenge for us is to not look just at resource 000, look at all programs to determine why there is a balance in this line item.

Supplies and Services for central office (unspent) offsets

- o Increase in utilities and lost rebates from e-rate for internet utilities.
- o Increase in legal costs

Between our revenues and expenditures, we had a positive variance of \$847K.

Sources and Uses:

Transfer to child development: spent \$300K more than projected because they did not earn their contract.

Transfer to special reserve; standard transfer to meet 3% requirement to fund 17.

Judy Appel mentions Board reserve policy to have 4% transferred to reserve funds.

Contributions in:

Item E: Teacher Template additional \$295K in GF from BSEP

Contributions out:

Special Ed fund \$710K based on ADA and revenue limit. Transfer out. No more transfer out it rolls into contribution. Now we have a bump and its consistent. \$16.7M was a transfer based on their ADA.

- Contribution to NPA's
- Salary's increases

	<u>Budget</u>	<u>Actual</u>
Beginning Fund balance \$	6.1M	5.5M
Ending Fund balance \$	4.4M	4.0M

Commitments and Assignments

We committed 2M to BSEP program support spent all except \$400K went to board to get it uncommitted and now part of the ending fund balance
 LCAP reserve budgeted \$826K now at \$1M (rainy day fund)
 LCAP budget has goals identified and what was spent and the ending fund balance. Pg. 2

ADA - Projected increase of students: 66.

Minutes from prior meeting approved

Ty Alper is joining committee in fall

Meeting adjourned at 6:50

Dates and times of Future Meetings

January 29, 2018 4:30pm – 6:00pm