Members Present: Mark J. Burger, Christopher J. Crowley and Douglas C. Tifft, Local Elected Auditors; Elaine Arbour, Superintendent

Public: None

1) Call Meeting to Order: Mark Burger called the meeting to order at 6:33 PM and welcomed Rivendell Local Elected Auditors and thanked Dr. Elaine Arbour for participating in the discussion.

   a) Self Introductions were made to allow Dr. Arbour to learn about the auditors.

   b) INTENT OF MEETING: Mark Burger indicated that he felt a meeting of the Rivendell Elected Local Auditors was necessary to begin a discussion of our roles as defined by the Rivendell Interstate School District’s Articles of Agreement and the related Interstate Compact between Vermont and New Hampshire so that we were prepared for the discussion the Rivendell Review Committee will be having in the future to meet the Committee’s Charge to discuss the role of the Rivendell Elected Local Auditors.

2) ROLE OF THE RIVENDELL LOCAL ELECTED AUDITORS: The discussion started by the members reading the language in the two founding documents:

   a) The Articles of Agreement, Section S states: “Professional Audit of Financial Records – A certified public accountant shall be employed each year by the interstate School Board to assist the elected Auditors in the performance of their duties,”

   b) The New Hampshire – Vermont Interstate School Compact, in Article V(I) States: Auditors. At the organization meeting of the district, 3 auditors shall be chosen, one to serve for a term of one year, one to serve for a term of 2 years, and one to serve for a term of 3 years. After the expiration of each original term, the successor shall be chosen for a 3-year term. At least one auditor shall be a resident of New Hampshire, and one auditor shall be a resident of Vermont. An interstate district may vote to employ a certified public accountant to assist the auditors in the performance of their duties. The auditors shall carefully examine the accounts of the treasurer and the directors at the close of each fiscal year, and at such other times whenever necessary, and report to the district whether the same are correctly cast and properly vouched.

   c) Roles Auditors Could Provide:

      i) Outreach Education related to Budgets and Financial Literacy
      ii) Resource for Superintendent and business office
      iii) Engage with the external certified public accountant to help define their engagement to conform with the Articles of Agreement and New Hampshire – Vermont Interstate School Compact.
      iv) Engage with the public during the year to bring more credibility and confidence with Rivendell’s financial reporting.

3) SCOPE OF EXTERNAL INDEPENDENT Auditors” certified public accountants”:

   a) Dr. Arbour indicated that Rivendell was going to have to select a new audit firm since the Firm has decided to drop auditing as a part of their business, and that based on good business practices, it was time have a new Firm look at the School.
Draft Meeting Minutes

b) There was a discussion that the current audit being provided by the external auditor was focused on compliance that the federal and state funds were spent in accordance with the rules associated with the funding; the audit looks at local funds, just not in the context of the Articles of Agreement or Interstate Compact.

c) Mark Burger stated that if the scope of the external auditor was not expanded to include looking at the entire district’s financial reporting to the taxpayers of the District, including how costs are allocated and the tax assessment is determined, then to satisfy the requirement under the Interstate Compact, the elected auditors must perform procedures to meet our obligation to the taxpayer that the reports are correctly cast and properly vouched.

d) Dr. Arbour was asked to inquire if the Auditors would be available to help in the selection process for a new external auditor; which led to a discussion about including the local elected auditors in all major discussion and presentations made by the external independent certified public accountants, especially when the discussion is related to internal controls and other business procedural matters.

4) The other agenda items were tabled for our next meeting which will likely be scheduled after the Review Committee meets to discuss the role of the auditors, or if the Superintendent request a meeting.

5) Adjourn: Burger adjourned meeting at 8:15 PM.