

## MSBO School Finance Committee

Meeting March 16, 2018

Called to order by Tim Berlin at 9:35 a.m.

Welcome and Introductions – There were 6 in attendance on site and numerous online participants.

Legislative Update – Peter Spadafore, MASA

Topics included:

- Teacher Prep Package – Discussed a series of bills that have been introduced into the house addressing the issue of teacher quality and the shortage of quality teachers.
- Budget – The budget is on track for a June passage. The 120-240 foundation increase is just about assured.
- Marshall Plan – Debate on whether it is to be included in the school aid budget. Some lawmakers want it to be stand-alone legislation.
- School Safety – Lawmakers are looking to address school safety and mental health issues.

Accounting and Auditing Update – Adriane Schrauben, Hungerford Nichols CPAs + Advisors

Topics included:

- Uniform Guidance
  - Written procedures must be in place prior to June 30
  - Understanding the difference between internal controls and compliance.
  - Reviewed timekeeping requirements
  - Procurement policy must be in place by June 30
- GASB Review –
  - Reviewed GSAB 68
  - Explained GASB 78 and the effects that it will have on year-end financials
  - Reviewed GASB 77 and explained the process to gather the necessary information.
- See the handout that was provided to the group for more detailed information.

MSBO Update – Bob Dwan, MSBO

Topics included:

- MSBO Annual Conference Update – 1200 currently registered
- Cost avoidance survey closed last Friday
- Budget – Budgets are expected to be out next week. Revenue is up \$88 million since January. Teacher prep package will draw from School Aid Fund
- ORS Update – ORS plan to use current operating expenses to assess additional liability to districts will have no impact until 2019-20. Will compare expected current operating expenses to actual. If there is an increase, districts will receive a bill and if there is a decrease, a payment will be made to districts. All expenditures except for capital outlay will be used for these calculations. A bill has been introduced to use only payroll and purchased service expenditures.

- Certification – Anyone with the “Chief Business Official” title and who oversees or supervises instructional activities is required to have an Administrative Certificate. If you have any other title or don’t oversee instruction, this certification is not needed.

#### Round Table Discussions / Announcements

- There were no round table topics to discuss.

Meeting adjourned at 11:15 a.m.

Next meeting will be Friday May 18, 2018 at the MSBO Offices in Lansing. There is the possibility that it will be moved to May 16 at the Consensus Revenue Estimating Conference.