

District Corrective Action Plan for June 30, 2020 Annual Financial Audit

The annual financial audit was conducted during the month of August 2020 and the annual financial report was accepted by the Board of Education on October 28, 2020. Below are the responses to the statements included in the Internal Control over Financial Reporting section of the Report to Those Charged with Governance that was previously filed with the New York State Office of the State Comptroller on October 29, 2020 and uploaded to the New York State Department of Education through the portal.

Extraclassroom Activities

Cash Receipts

The auditors noted that one cash receipt selected for testing at the LMK Middle School was not deposited within three business days of receipt.

Corrective Action Plan:

The District has communicated and will continue to stress the requirement that all cash and checks must be deposited within 72 business hours of receipt and will make every effort to meet this timeframe.

Cash Disbursements

The auditors noted that there was one cash disbursement selected for testing at the LMK Middle School that did not have any supporting documentation.

Corrective Action Plan:

After speaking to the Treasurer for the LMK Middle School, it was determined that this was an isolated instance and was exacerbated by the school closure related to the COVID-19 pandemic. The District has communicated the importance of ensuring that every transaction is supported by the proper documentation.

Special Purpose Fund

The auditors noted that numerous accounts, with aggregate balances at June 30, 2020 of approximately \$11,700, did not have any financial activity during the year.

Corrective Action Plan:

The District Treasurer confirmed prior to year-end that these accounts should be maintained despite the financial inactivity during the year. The District will continue reviewing all inactive accounts and obtain Board approval to close them out if deemed appropriate.