

**WHITE PLAINS BOARD OF EDUCATION**  
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November 9, 2020

Office of the State Comptroller  
Newburgh Regional Office  
Ms. Lisa Reynolds  
Chief Examiner of Local Government and School Accountability  
33 Airport Center Drive  
Suite 103  
New Windsor, New York 12553

Re: Corrective Action Plan to Report of Examination 2020M-71, dated October 2020

Dear Ms. Reynolds:

The White Plains City School District (District) is in receipt of the final Report of Examination 2020M-71. The Board of Education and the Administrative Team are appreciative of your team's review. The District prides itself in its continual efforts to fulfill its fiduciary responsibilities on behalf of its students and community.

Please find our Corrective Action Plan for the following recommendations:

1. **Audit Recommendation:**

Adopt annual budgets that contain reasonable estimates of expenditures, revenues, and the amounts to be transferred to reserves based on historical and/or other known factors.

**Implementation Plan of Action:**

Each year, the District engages in a comprehensive update to its multi-year, Long Range Plan (LRP) and fund balance projections for the current year. This information is used to guide the development of the annual budget. The annual budget is based on the actual inventory of staffing and the projected salary costs per bargaining unit Agreements, benefit costs per latest trend information and cost estimates provided by vendors. Budget builders provide estimates for costs other than personnel costs; revenues are trend-based estimates and what is deemed measurable and available. In addition, the District will evaluate, with its auditors, how to best reflect anticipated transfers to reserves in its annual

budget document. The District continues to provide realistic, conservative budgets based on actual data and trend information. Any savings that does occur is returned to the taxpayer as follows:

- One-time only expenditures
- Refunds of Tax Certiorari
- Funding capital projects
- Funding payments for compensated absences
- Payoff of debt service

It is important to note that due to the District's diligence in planning and development of conservative budgets that ensure both financial and educational solvency. The District is able to maintain, and advance, its Strategic Plan to benefit the students and taxpayers of the community. Now, more than ever, this critical planning has proven crucial given the Global Pandemic. Due to sound financial planning, the District is poised to weather this storm and support the educational program for all students.

**Implementation Date:**

This work is ongoing. We started the process of updating the multi-year, LRP, developing fund balance projections, and preparing for the annual budget development.

**Person(s) Responsible for Implementation:**

The Superintendent of Schools, Assistant Superintendent for Business, and the White Plains CSD Board of Education.

2. **Audit Recommendation:**

Develop a plan to reduce the amount of surplus fund balance in a manner that benefits taxpayers.

Surplus funds can be used as a financing source for:

- Funding one-time expenditures
- Funding needed reserves
- Paying off debt
- Reducing District property taxes

**Implementation Plan of Action:**

As previously stated, the District engages in the thoughtful development of an extensive multi-year, LRP, in accordance with guidance by the Government Finance Officers Association and the Office of the State Comptroller. It is used to protect, preserve, and enhance the integrity of the instructional program for students; the development of higher performing staff; and, to maintain the District's assets and infrastructure. The District includes all aspects of the organization, i.e., instruction, special education, pupil personnel support services, technology, facilities and infrastructure, transportation, food service, etc. This information is then used to develop a comprehensive long-range financial plan that is used to assist the Board of Education and the community in making critical long-term decisions to ensure fiscal stability. As a result, in order to support the future goals of the District, the Board of Education and District administration continually seek opportunities to create efficiencies, in order to reallocate resources in the next budget cycle to support the instructional plan and operations of the District.

Therefore, savings identified in any given year are used to offset taxpayer expense, in terms of funding one-time only expenditures, (i.e. fund capital projects, payoff debt, Tax Certiorari refunds,



compensated absences, etc.), and then in the subsequent year's budget development use those reoccurring savings to support the programs of the District.

Examples of efficiencies achieved over the past several years:

- Renegotiation of pupil transportation contract
- Bargaining unit settlements
- Standards for new hires and leave replacements
- Use of installment purchase leases for technology equipment
- Program evaluations
- Fund capital projects, without the issuance of debt service
- Self-fund compensated absences
- Develop pension reserve to offset future rate increases

The District continues to use all savings to benefit its students and taxpayers, and any reserves that are maintain are for this expressed purpose. The audit did conclude that the District's reserves were, "... generally funded at reasonable levels or within legal limits." The District continues to refine its budget estimates based on updates to the LRP and fund balance projections, in order to create conservative budgets that ensure the financial and educational stability of the District with minimal impact to the taxpayer.

**Implementation Date:**

This work is ongoing. We have begun the process of updating multi-year, LRP, developing fund balance projections, and preparing for the annual budget development. Any projected surpluses will be used to benefit taxpayers as they have been in previous years.

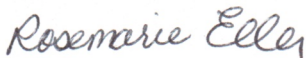
**Person Responsible for Implementation:**

The Superintendent of Schools, Assistant Superintendent for Business, and the White Plains CSD Board of Education.

The District's Administration and the White Plains CSD Board of Education are committed to continuous improvement on behalf of our students and community and will continue to be diligent in the integrity of its financial management of the District to ensure it is protecting and preserving the quality of education for all students, as well as maintaining the District's assets and infrastructure.

We will submit a Corrective Action Plan, upon final release of this report.

Respectfully,



Ms. Rosemarie Eller  
Board President