Lyndhurst Public Schools

BOARD OF EDUCATION
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ANTHONY GRIECO
Superintendent of Schools

JOSEPH A. DECORSO
Director of Curriculum and Instruction

SCOTT T. BISIG, M.ED.
School Business Administrator
Board Secretary

November 26, 2019

Mr. William Senande
Executive County School Business Administrator
Bergen County Office
One Bergen County Plaza
Room 350
Hackensack, NJ 07601-7076

Re: Corrective Action Plan FY-18-19 Audit

Dear Mr. Senande,

Enclosed is the Lyndhurst Public School District's Corrective Action Plan FY-18-19 Audit along with the certified board resolution from the November 25, 2019 Board of Education meeting.

Thank you.

Sincerely,

Scott T. Bisig, M.Ed.
School Business Administrator
Board Secretary

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LYNDHURST PUBLIC SCHOOLS

CORRECTIVE ACTION PLAN

FY-18-19 AUDIT

PRESENTED AT THE PUBLIC MEETING ON NOVEMBER 25, 2019

Superintendent

Anthony Grieco

Business Administrator/Board Secretary

Scott T. Bisig, M.Ed.

Audit Area	Auditor's Finding	Auditor's Recommendation	Corrective Action	Implementation Date	Primary Responsibility	Status
Administrative Practices & Procedures	(1) The audit recommended that a surety bond be obtained for the Treasurer of School Monies in the amount required by the New Jersey Administrative Code.	Auditor recommends the district obtain the surety bond as soon as possible to keep in accordance with the New Jersey Administrative Code.	The district completes the required State paperwork in accordance with the New Jersey Administrative Code as soon as possible.	Effective immediately.	Business Administrator Finance Manager	Completed.
Financial Planning, Accounting & Reporting	(2) Formal written request, signed by the representative employee, be delivered to the district in-person for changes to employees banking information for direct deposit purposes.	The district will formulate strict guidance that will allow for proper filling of direct deposit change information for all employees.	The district will develop a strict guidance for all employee direct deposit change requests to be in-person with the required signatures before implementing changes.	Effective Immediately.	Business Administrator Finance Manager	Completed.

Continued Financial Planning, Accounting & Reporting	(3) The district will update its current position control roster to agree with the district's budget and payroll accounting records in accordance with N.J.A.C. 6A:23-6.8.	Up-date the District position control roster to be agreement with the District's budget and payroll accounting records in accordance with N.J.A.C. 6A:23-6.8.	Revised the District's position control roster to bring it in-line with the budget.	This finding will be addresses immediately and completed by April 30, 2019	Business Administrator Finance Manager Human Resource	Ongoing
School Purchasing Programs	(4) The audit noted within several instances where contract awards in excess of the bid threshold for architectural services related to specific projects were not approved by Board resolution and made part of the official minutes.	Contract awards for professional services which exceed the bid threshold on specific projects be approved by Board resolution and made part of the official minutes.	The district will ensure the Board approves all bid threshold modifications through resolution and place in the official minutes.	This finding was addressed immediately and will be adhered to moving forward with proper Board resolutions and minutes posted.	Business Administrator Finance Manager	Completed.
	(5) The audit noted certain vendors paid in excess of the bid threshold that were not contacted through a state contract or cooperative purchasing agreement which were not approved by Board resolution and made part of the official minutes.	Contract awarded and purchases made through a state contract or cooperative purchasing agreement which exceed the bid threshold be approved by Board resolution and made part of official minutes.	The district will ensure the Board approves all state and cooperative purchasing agreements which exceed bid threshold through resolution and place in the official minutes	This finding is being addressed immediately and moving forward with proper Board approval and minutes noted.	Business Administrator Finance Manager	Completed.

Continued School Purchasing Programs	(6) The audit noted numerous instances where Board approved professional services contract awards in excess of the bid threshold were not subsequently published in the district's official newspaper as required by the Public-School Contracts Law (N.J.S.A. 18A-5(a)(1).	Procedures be enhanced to ensure Board approved professional services contract awards are subsequently published in the district's official newspaper as required by the Public-School Contracts Law.	The district will ensure the Board approves all professional service contracts through resolution and place in the official minutes	This finding is being addressed immediately and is ongoing as of October 2019.	Business Administrator Finance Manager	Ongoing.
Food Service Enterprise	(7) The auditor recommended that monies collected be deposited within 48 hours of receipt.	Revised internal procedures be developed to ensure all collected monies are received within the 48 hours allowances.	The district will revise and implement new internal procedures for proficient collection of school monies within the 48 hours allowances.	The recommendation will be implanted immediately.	Business Administrator Finance Manager Food Service Manager	Completed.
Student Body Activates	(8) The audit recommends a uniform deposit system for accounting of transactions be formulated with pre-numbered receipts tickets that can be utilized in collecting all the district's student activity accounts.	Revised the internal deposit recording system to meet the guidance prescribe by the audit recommendations.	The district will utilize a new internal deposit and receipt collection of all student account monies in accordance with the audit recommendations.	The recommendation will be implanted immediately.	Business Administrator Finance Manager	Completed.

Continued Student Body Activates	(9) The audit recommends financial transactions accounted for in the Elementary and High School student activity accounts be only for student related type activities.	Revised the internal deposit recording system to meet the guidance prescribe by the audit recommendations.	The district will utilize a new internal deposit and receipt collection of all student account monies in accordance with the audit recommendations	The recommendation will be implanted immediately.	Business Administrator Finance Manager	Completed.
Pupil Transportation	None					
Facilities & Capital Assets	(10) CAFR 2019-01 - audit revealed the district's capital assets documentation to support amounts reported for land and building/building improvements and related depreciation was not maintained by the district and made available for audit.	The District will maintain detailed accounting records to support capital assets for land and building/building improvements and related depreciation reported in the district's financial statements.	Revise the current system for tracking long-term capital assets to include County records of building and land purchases an improvement.	This finding is currently under view, and the required research at the County Clerk's Office will be completed by June 30, 2020.	Business Administrator	Ongoing.
	(11) Audit noted numerous capital assets reported as machinery and equipment with an initial cost below the capitalization threshold established by the District of $2,000.00.	The District will review its machinery and equipment inventory to make appropriate adjustments for assets valued below the capitalization threshold.	Review existing files on record to revise the current asset values to remove all property under the $2,000.00 threshold limits.	This finding is currently under view, and the required research at the County Clerk's Office will be completed by June 30, 2020.	Business Administrator Finance Manager	Ongoing.

Thomas P. Egan

APRROVAL OF CORRECTIVE ACTION PLAN

Thomas Egan, New Jersey State Monitor

November 25, 2019

BE IT RESOLVED, that the Lyndhurst Board of Education accept and approve the Audit Report submitted by Lerch, Vinci & Higgins, LLP for the fiscal year ended June 30, 2019.

BE IT FURTHER RESOLVED, that the Lyndhurst Board of Education approve the FY-18-19 Audit Corrective Action Plan and all supporting documentation as required in N.J.A.C. 6A:23A-16.10(b)2.

I HEREBY CERTIFY THAT THE ABOVE REPRESENTS A TRUE AND ACCURATE TRANSCRIPTION/COPY DULY ADOPTED BY THE LYNDHURST BOARD OF EDUCATION ON 11.25.19

SIGNED [signature]
SCHOOL BUSINESS ADMINISTRATOR