

RED CREEK CENTRAL SCHOOL DISTRICT
PO BOX 190, SOUTH STREET
RED CREEK, NEW YORK 13143

January 8, 2020

To: Brian M. Corey, Superintendent of Schools
From: Bill McDonald, Business Administrator
Subject: Corrective Action Plan

We are in receipt of the Red Creek Central School District's Basic Financial Statements and Management Letter for the school year ended June 30, 2019 as prepared by Raymond F. Wager, CPA, PC. Please accept this as the Red Creek Central School District's Audit Response and Corrective Action Plan. The Assistant Superintendent for Business is responsible for the implementation of the plan.

Recommendation

The District should review the special revenue fund accounts to determine their appropriateness and should develop standard procedures for the proper collection, use, and administration of these funds.

Response

The District will review the special revenue fund accounts and determine the appropriate actions to take regarding the funds. Standard processes and procedures will be developed to ensure all funds are administered accurately.

Recommendation

Deposits should be made more frequently and athletic admissions should be turned over in a timely manner.

Response

There is not a local branch of the district's official depository and it is necessary for the district to utilize an armored car service which is quite costly. They are scheduled for a bi-monthly pick up. The district also uses check capture technology and payments for taxes are made through a lock box. The district's three ton safe keeps all cash, which is minimal, safe until the armored car has a pick-up. We will review admissions deposit procedures with the Athletic Director.

Recommendation

Journal entries should be reviewed and authorized.

Response

The District has reviewed procedures associated with journal entries and has changed the review and approval process. The Treasurer will print each Journal entry and the Business administrator will review and sign each entry. They will be kept in a binder in the Treasurer's office.

Recommendation

The District should review and update their administrative regulations as they relate to written quotations for purchase and public works contracts.

Response

While policy has been updated, the regulations still need to be reviewed and updated. We will review the regulations to ensure they align with the policy.

Recommendation

The Administration should review the practice regarding the charging of adult meals.

Response

The District will ensure adults are not allowed to charge meals.

Recommendation

The District should review the School Lunch Fund balance to ensure it does not exceed three months average expenditures.

Response

The District is currently reviewing the School Lunch Fund budget to ensure it meets Federal Regulations and is taking steps to manage the fund balance.

Recommendation

The School Lunch Manager needs to sign off on the payroll time summary.

Response

The School Lunch employees are signing a common payroll time sheet that the School Lunch Manager now reviews, approves and signs before submitting to the payroll office.

Recommendation

The District should review the Community Center operations and develop a plan enhance revenues and control expenses.

Response

The District is currently reviewing the Community Center operations and is formulating plans to enhance revenues and control expenses.