

Glen Cove City School District

Risk Assessment Update Report

February 8, 2023

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Risk Assessment Update Report

To the Board of Education and Audit Committee
Glen Cove City School District
Glen Cove, New York

We have performed the annual risk assessment update of the Glen Cove City School District (District) as required by Chapter 263 of the Laws of New York, 2005 and as per our agreement of July 1, 2022.

This engagement is in accordance with auditing standards generally accepted in the United States of America and the applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have also considered the guidelines promulgated by the New York State Education Department in connection with such risk assessments.

Specifically, we performed the following:

- Developed an understanding of the critical business processes of the District.
- Identified the key risks based on our understanding of these business processes.
- Identified the stated controls that are currently in place to address those risks.

These procedures were accomplished through interviewing District management and accounting and other departmental personnel to determine the flow of accounting information and controls placed in operation. The scope of our engagement did not include testing the operating effectiveness of such controls.

Our procedures were not designed to express an opinion on the internal controls of the District, and we do not express such an opinion. Additionally, because of inherent limitations of any internal control, errors or fraud may occur and not be prevented or detected by internal controls. Also, projections of an evaluation of the accounting system and controls to future periods are subject to the risk that procedures may become inadequate because of changed conditions.

We would like to express our appreciation for the cooperation and assistance that we received from the District's administration and other employees during our audit, especially the Business Office personnel.

This report is intended solely for the use and information of the Board of Education and its Audit Committee and the management of the District, and is not intended to be and should not be used by anyone other than these specified parties.

Cullen & Danowski, LLP
February 8, 2023

GLEN COVE CITY SCHOOL DISTRICT

Introduction

February 8, 2023

Chapter 263 of the Laws of New York, 2005 requires most districts to create an internal audit function. The creation of this function requires districts to engage either a qualified audit firm or individual to make an initial risk assessment of the design of the district's internal controls; annually update this assessment; and, periodically test these controls for operational effectiveness and efficiency. This report addresses the second requirement, which is an annual risk assessment update.

Internal controls are the checks and balances over the various processes or functions that comprise the operations of a district. One key element in any internal control system is the concept of **segregation of duties**. This concept ensures that one person cannot execute a transaction without at least one other individual checking his or her work. Of course, where segregation of duties is not feasible, the district can employ compensating controls.

Nevertheless, there are some important concepts that should be understood when reviewing internal controls.

These concepts are:

- An internal control system is designed to provide reasonable but not absolute assurance in safeguarding the assets of the district.
- The concept of reasonable assurance recognizes that the cost of the internal control should not exceed the benefits derived.
- There are inherent limitations that should be recognized in considering the potential effectiveness of any internal control system, e.g., errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. More importantly, it is **collusion** that poses the greatest threat to any internal control system. If two employees collude in order to circumvent the controls set up by the district, they could perpetrate a fraud.

The initial risk assessment required the internal auditor to obtain an understanding of both the inherent and control risks associated with the various functions within the District. The risk assessment update requires the internal auditor to identify the changes in procedures, policies, personnel, and systems that may have an impact on these risks and possibly alter the initial risk assessment's level of control risk.

Control risk measures the adequacy of internal controls designed to mitigate the inherent risk within the process. In this engagement, we have assessed the control risk based upon our interview process. The testing of the controls, which is performed during the detailed testwork, could support the lowering of the initial control risk assessment associated with individual processes and sub-functions.

We have organized this report into the following two sections:

The first section is a risk assessment table. In this table, we identify the processes or functions that we have reviewed. This table includes our assessment of the control risk associated with each process. There are two control risk columns to reflect the prior year risk assessment level and the current year risk assessment level based on the results of the risk assessment update as well as the detailed testwork performed for selected processes. **Since the testing of controls has not been done for all processes, it is important to note that this table should not be viewed as the final assessment of the District's control environment.** The Risk Assessment Table also includes our suggestions for processes to be tested during the coming year. However, the decision of which processes to review in detail is at the discretion of the Audit Committee.

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Introduction (Continued)

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The second section of this report consists of any changes from the prior year risk assessment related to key policies, procedures and/or controls of the functions we reviewed. Also included in this section are any new recommendations and the status of any prior year recommendations (note that this text is in *italics*), for areas of potential improvement in the District’s internal controls or operations. The status of prior year recommendations from the following reports was addressed in this year’s risk assessment:

<i>Report Type</i>	<i>Issue Date</i>	<i>Area(s)</i>
Risk Assessment	March 30, 2022	District Operations
Agreed-Upon Procedures	March 30, 2022	Information Technology

The changes and recommendations have been considered in the assessment of the level of control risk. Some of the recommendations may require a reassignment of duties and/or an addition to District personnel. However, any enhancement of controls should be done after a careful cost-benefit analysis.

Corrective Action Plan

Commissioner of Education Regulation (CR) §170.12(e)(4) requires that a corrective action plan (CAP), approved by the Board of Education, must be filed within 90 days of issuance with the New York State Education Department (NYSED).

The District should submit the CAP along with the respective Internal Audit Report via the NYSED Portal.

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Risk Assessment Table
February 8, 2023

(L=Low, M=Moderate, H=High)

Business Process Area	Date of Detailed Testing*	Control Risk		Proposed Detailed Testing
		Prior Year	Current Year	
Governance and Planning				
Governance & Control Environment		M	M	
Budget Development, Administration, and Fund Balance Management		M	M	
Accounting and Reporting				
Financial Accounting and Reporting		M	M	
Auditing		M	M	
Revenue and Cash Management				
Revenue Management		M	M	
Billings	12/05/16	L	(1) M	
Collections and Posting of Receipts	12/05/16	L	(1) M	
Cash and Investments Management	12/06/18	M	M	
Bank Reconciliations	12/06/18	L	L	
Payroll				
Payroll Accounting and Reporting	12/06/17	L	L	
Tax Filings and Reconciliations	12/06/17	L	L	
Payroll Distribution	12/06/17	L	L	
Human Resources				
Employment Recruitment and Hiring	12/06/17	L	L	
Employee Administration and Termination	12/06/17	L	L	
Employee Attendance		M	M	
Benefits				
Administration	03/22/21	M	M	
Payments and Cost Sharing	03/22/21	M	M	
Purchasing and Related Expenditures				
Purchasing System and Process	01/29/15	L	(1) M	
Payment Process	01/29/15	L	(1) M	
Credit Cards		M	M	
Grants and Special Education				
Grants Processing/Monitoring		M	M	
Special Education (Financial Operations)	02/08/23	M	M	
Facilities and Capital Projects				
Facilities Maintenance & Operations	03/10/16	L	(1) M	
Capital Projects	03/10/16	L	(1) M	

* Indicates the issuance date of an Agreed-Upon Procedures (AUP) report related to that area.

(1) The change from low to moderate risk is based on the passage of time since detailed testing was performed.

**GLEN COVE CITY SCHOOL DISTRICT
Risk Assessment Table (Continued)**

February 8, 2023

(L=Low, M=Moderate, H=High)

Business Process Area	Date of Detailed Testing*	Control Risk				Proposed Detailed Testing
		Prior Year		Current Year		
Capital Assets						
Acquisition and Disposal	12/18/19	L		L		
Maintenance and Inventories	12/18/19		M	L		
Food Service						
Sales Cycle and System	12/18/19		M	L		
Purchasing and Inventory	12/18/19	L		L		
Federal and State Reimbursements	12/18/19	L		L		
Free and Reduced Lunch	12/18/19	L		L		
Extraclassroom Activity Fund						
General Controls and Administration	12/06/18		M		M	
Cash Receipts	12/06/18		M		M	
Cash Disbursements	12/06/18	L		L		
Information Technology						
Governance	03/20/22		M		M	
Network Security	03/20/22		M		M	
Financial Application Security	03/20/22		M		M	
Disaster Recovery	03/20/22		M		M	
Student Related Data and Services						
Student Attendance Data			M		M	
Student Performance Data			M		M	
Student Transportation	12/06/18	L		L		
Student Safety and Security			M		M	

* Indicates the issuance date of an Agreed-Upon Procedures (AUP) report related to that area.

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**KEY CHANGES FROM THE PRIOR YEAR'S RISK ASSESSMENT RELATED TO POLICIES, PROCEDURES
AND/OR CONTROLS**

Governance and Planning

- There were changes with Board members, including the Board President, and several employees at the District since the prior year that include the Assistant Superintendent of Human Resources; Assistant Superintendent of Curriculum, Instruction and Technology Assistant; Director of Special Education; Coordinator of Information Technology; and Human Resources Secretary.
- The District has completed the full review of the Board policies, by series, working with the New York State School Boards Association (NYSSBA).
- The District is changing the communications program from School Messenger to Parent Square to improve efficiencies and streamline procedures related to communicating information to staff, students and parents.

Accounting and Reporting

- The General Fund operated at a surplus of \$5,698,749 for the year ended June 30, 2022, which increased the total General Fund's fund balance from \$31,031,982 to \$36,730,731.
- The Business Office has revised the accounting of their leases in compliance with the new Governmental Accounting Standards Board (GASB) Statement No. 87.

Human Resources

- The use of the Frontline Absence Management system has been expanded to all employees by now requiring the administrators and support staff to enter their absences in this program, which was previously only used by the instructional staff.
- The District has formalized the new hire process by creating a New Hire Recommendation Sheet to establish consistent, standard protocols related to the completion and submission of these sheets by administrators.
- The District has improved the handling of teachers' professional growth activities by developing standard procedures related to the review and submission of the course approval process.

Facilities and Capital Projects

- The taxpayers approved the bond vote on October 12, 2022, authorizing the construction of alterations and improvements to District buildings and sites at the estimated total cost not to exceed \$30,552,621.
- The District had flooding damage due to storm IDA during September 2021 and continues to work with FEMA to file the required paperwork in order to close out the claims for damages.

Food Service

- The Food Service program operated at a surplus of \$228k for the fiscal year ended June 2022, which increased the fund balance to \$234K. For the second consecutive year, there was no transfer from the General Fund to the Food Service Fund.
- The District has upgraded the point-of-sale system from Nutrikids to Mosaic resulting in more robust functionality and enhanced reports.
- The District has submitted an application for a grant to continue providing free meals to all students for the 2022-23 school year.

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Information Technology (IT)

- The District has started to address the recommendations from the internal auditor's *Independent Accountant's Report on Applying Agreed-Upon Procedures* dated March 30, 2022 related to IT. Refer to that report for more details regarding the results of that detailed review.
- The Technology Department set up the use of multi-factor authentication (MFA) for all staff with access to personal identifiable information to strengthen the login process and access to key systems.
- The District has been active in educating staff on the importance of internet safety through emails and using a web-based training program, Global Compliance Network (GCN). In addition, the Coordinator of Instructional Technology plans to utilize phishing campaigns to enhance awareness of potential scam emails.

Student Transportation

- The District has moved the transportation software program from a server-based to the new cloud-based Transfinder version.
- The District now has interior cameras on all of the full-size buses that are contracted with the transportation provider.

Student Safety and Security

- The recently approved bond includes funding to enhance safety and security at the District including the installation of new classroom and office hallway doors meeting state code, equipped with state-of-the-art automatic locking security door hardware.

RECOMMENDATIONS (NEW ITEMS)

Purchasing and Related Expenditures

Finding and Recommendation – Risk Assessment Update 2023

Enhance Purchasing Process – *We note that there are opportunities for the District to enhance the purchasing process, since there are many instances where the purchase orders (PO) do not reference the type of purchase (e.g., state contract, BOCES bid, sole source, etc.) within the PO.*

1. *We recommended that the District develop formal procedures to ensure that the type of purchase (e.g., state contract, BOCES bid, sole source, etc.) is included within the PO by the requisitioners when processing the requisition. The inclusion of this information is a preferred practice to facilitate subsequent reviews of POs by District staff and auditors.*

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RECOMMENDATIONS (OPEN ITEMS)

Revenue and Cash Management

Recommendation – Agreed-Upon Procedures 2018 (December)

Board Policy - Authorized Signatures – We recommended that the District create a Board policy related to authorized signatures that should include language authorizing the signature on checks issued against all bank accounts of the District.

Risk Assessment Update – 2020

We noted that the District Treasurer had been assigned the task of implementing this recommendation. We provided the District with sample Board policies related to this to topic to facilitate this implementation.

Risk Assessment Update – 2021-2022

We found that the District still needed to address this recommendation.

Risk Assessment Update – 2023

2. *We note that the District plans to address this recommendation during the 2023-24 year.*

Benefits

Recommendation – Agreed-Upon Procedures 2021 (March)

Utilize nVision Modules – We recommended that the District utilize the Benefits module and the fields of the HR module in nVision to record and track all employees and retirees enrolled in the health insurance plans. We recommended developing procedures to reconcile the information on a periodic basis to the payroll deduction register and the health insurance invoice enrollee listing. Reconciling the invoice to the payroll deduction register and billings to retirees and COBRA enrollees would help ensure that coverage is provided to the appropriate individuals and that the allocation of costs are accurate.

Risk Assessment Update – 2022

We note that the District has started to investigate this recommendation.

Risk Assessment Update – 2023

3. *We note that the District plans to complete this recommendation during the 2023-24 year.*

Recommendation – Agreed-Upon Procedures 2021 (March)

Perform Comparison of Enrollees to Payroll Deductions – We recommended that the District develop procedures to perform a comparison of the health insurance enrollee listing to the payroll deduction register on a periodic basis (e.g., quarterly).

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Risk Assessment Update – 2022

We note that the District still needed to address this recommendation.

Risk Assessment Update – 2023

4. *We note that the District plans to complete this recommendation during the 2023-24 year.*

Extraclassroom Activity Fund

Recommendation – Agreed-Upon Procedures 2018 (December)

Board Policy - Expand or Create New Policy – We recommended that the District expand or create a new Board policy to address the duties of the Club Advisor and the Student Treasurer positions, as well as, procedures to handle remaining funds when closing clubs and to account for the interest when earned from the bank account.

Risk Assessment Update – 2020

We found that the District still needed to address this recommendation.

Risk Assessment Update – 2021

We noted that due to the impact of the pandemic related to extraclassroom activities, there has been a delay with the District addressing this recommendation.

Risk Assessment Update – 2022

We note that the District still needed to address this recommendation

Risk Assessment Update – 2023

5. *We note that the District plans to complete this recommendation during the 2023-24 year.*

Recommendation – Agreed-Upon Procedures 2018 (December)

Bona-Fide Clubs – We recommended that the District determine whether or not each extraclassroom activity is a bona-fide club per CR §172 and Finance Pamphlet 2. Included within the pamphlet is the regulation that each club shall have student officers as president, secretary and treasurer who are involved in the financial activities of the club.

Risk Assessment Update – 2020

We noted that the HS clubs must provide student membership lists with the assigned officers and documentation related to the clubs' meetings. However, we found that the HS Student Activities club was not a bona-fide club due to the lack of student officers or student involvement with the financial activities. We recommended that the HS consider assigning the officers of the Student Senate club to the same roles for the Student Activities club to create a bona-fide club. In addition, we recommended that the MS address the field

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trip fund accounts for each grade because these were not bona-fide clubs due to the lack of student involvement.

Risk Assessment Update – 2021

We noted that due to the impact of the pandemic related to extraclassroom activities, there has been a delay with the District addressing this recommendation.

Risk Assessment Update – 2022

We found that the District still needed to address this recommendation, since the HS Student Activities club and the MS field trip fund accounts for each grade are still not bona-fide clubs due to the lack of student officers or student involvement with the financial activities.

Risk Assessment Update – 2023

6. *We note that the District plans to complete this recommendation during the 2023-24 year.*

Recommendation – Agreed-Upon Procedures 2018 (December)

Receipts - Strengthen Controls – We recommended that the District strengthen controls related to receipts, particularly cash, at the club level since the collection of funds has a high level of inherent risk. In order to facilitate the pre-audit and recording of receipts, statements should be made by those collecting money. Such a statement should, on its face, include all of the essential data for a complete check and audit of the receipts. We recommended that the forms used to account for transactions be revised to provide an expanded comment or description section in which the Club Advisor can fully explain the transaction and completely account for the items by documenting the purchase information and utilize pre-numbered receipts or tickets (i.e., number of items purchased, number of items sold, the number of left over items and the status of the remaining items).

Risk Assessment Update – 2021

We noted that due to the impact of the pandemic related to extraclassroom activities, there has been a delay with the District addressing this recommendation.

Risk Assessment Update – 2022

We found that the District still needed to address this recommendation.

Risk Assessment Update – 2023

7. *We note that the District plans to complete this recommendation during the 2023-24 year.*

Information Technology

Recommendation – Agreed-Upon Procedures 2022 (March)

Disaster Recovery Plan – We recommended that the District develop a formal, written Disaster Recovery Plan and establish procedures to periodically update the plan as necessary. We recommended that the

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District use the template received from Nassau BOCES to facilitate the implementation of this recommendation.

Risk Assessment Update – 2023

8. *We found that the District is developing the Disaster Recovery Plan and will complete the plan by the end of this 2022-23 year. We understand that the change in IT administrators has caused delays in addressing the IT recommendations.*

Recommendation – Agreed-Upon Procedures 2022 (March)

User Accounts - Strengthen Procedures – We recommended that the District strengthen procedures related to the user accounts by perform a complete reconciliation of the user accounts in all programs, which includes Active Directory, PowerSchool, nVision and Frontline Special Education Management. We also recommended that the District develop procedures to complete this process at least annually going forward. In addition, we recommend that the nVision system administrator set up a password change related to user accounts at the time an employee separates from the District.

Risk Assessment Update – 2023

9. *We note that the District is in the process of addressing this recommendation.*

Recommendation – Agreed-Upon Procedures 2022 (March)

PowerSchool and Frontline Special Education Management Systems – We recommended that the District investigate the functionality of the PowerSchool and Frontline Special Education Management systems to determine if data could be systematically transferred via an upload or other process. This would reduce the manual efforts currently required to set up user accounts in the Frontline Special Education Management system each year related to assigning students to the instructional-staff user accounts.

Risk Assessment Update – 2023

10. *We found that the District is in the process of addressing this recommendation.*

Recommendation – Agreed-Upon Procedures 2022 (March)

User Account Passwords – We recommended that the District establish procedures to strengthen protocols related to user account passwords for access to the key systems including Active Directory, nVision, PowerSchool and Frontline. We recommended that the District consider standardized procedures that include the following to create consistent District-wide practices:

- a) Complexity of the user account passwords to include a minimum of 8 characters, an uppercase letter, a lowercase letter, a number and a special character.
- b) Frequency of requiring the users to change their passwords annually or more frequently in the event that a password needs to be changed during the year for a user or users based on evidence of a compromise.
- c) Lock out the user after 3 failed attempts to log into the system.

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Risk Assessment Update – 2023

11. We note that the District has completed (a) above and is in the process of addressing (b) and (c).

Recommendation – Agreed-Upon Procedures 2022 (March)

Acceptable Use Policy – We recommended that the District develop a *Staff Use of Computerized Information Resources (Acceptable Use Policy)* for staff and establish procedures to require all employees to sign-off on such policy attesting that they have read, understand and comply with the protocols related to technology (e.g., use of devices, internet access, District intranet, etc.) to improve the process of ensuring that each employee is fully aware of such responsibilities. This would be an enhancement to the current practice as part of the log-in process where staff click on a statement titled Acceptable Use Policy Selection 2019-2020. The District should assign specific staff to manage these activities to ensure that there is completeness with obtaining and retaining these sign-offs from all employees. We also recommended that the District consider utilizing the web-based programs (e.g., Global Compliance Network) to facilitate this process by tracking, monitoring and storing of these employee sign-offs electronically.

Risk Assessment Update – 2023

12. We found that the District is in the process of addressing this recommendation.

Recommendation – Agreed-Upon Procedures 2022 (March)

IT Assets and Inventory - Strengthen Processes – We recommended that the District strengthen processes related to IT assets and inventory by completing the transfer of these items from the Excel spreadsheets to the One to One Plus web-based program and utilizing this program as the sole repository for all IT assets and inventory. We also recommended that the District develop procedures to ensure that the One to One Plus program is updated timely to account for all relocations, replacements and deletions. In addition, we recommended that the District perform periodic physical inventories to verify the accuracy and completeness of the database.

Risk Assessment Update – 2023

13. We note that the District is in the process of completing the transfer of items from the Excel spreadsheets to the One to One Plus web-based program.

RECOMMENDATIONS (CLOSED ITEMS)

Benefits

Recommendation – Agreed-Upon Procedures 2021 (March)

Assign Duties to the Benefits Clerk – We recommended that the District develop a plan to assign the following duties to the future benefits clerk position in addition to the benefits administration tasks the retired Benefits Clerk was performing, since these tasks are normally included with this role; however, other employees are completing these responsibilities:

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- a) Prepare the annual recalculation of cost allocation and submit to the Payroll Supervisor to review the spreadsheet.
- b) Calculate and include any changes in payroll deduction amounts due to coverage type changes or when an employee returns from an unpaid leave on the *Monthly Change Form* sent to the Payroll Department. The Payroll Supervisor should then review the calculations prior to entry into FM.
- c) Track and enter billings in the Accounts Receivable module of FM for health insurance contributions for retirees, part-time employees who do not have sufficient wages to cover the cost of health insurance, employees on unpaid leaves of absence, individuals on COBRA, etc.

Risk Assessment Update – 2022

We note that the District hired a Benefits Clerk on June 4, 2021 and this employee has been provided on-going training since their start date. We understood that the District planned to address this recommendation after the Benefits Clerk becomes familiar with the initial duties that have been assigned to this employee and then assess adding the responsibilities listed above.

Risk Assessment Update – 2023 (This item is now closed)

We found that the District has created a shared Google sheet and is using the AR module as recommended. We note that the Business Office and Benefits Clerk have assessed the duties related to benefits activities and will continue further assessments and assignments of such duties.

Recommendation – Agreed-Upon Procedures 2021 (March)

GCTA Contract – Part-Time Teachers’ Health Care Contributions – We recommended that the District update the Glen Cove Teachers’ Association (GCTA) collective bargaining agreement during the next negotiations with this unit to include language related to the employees’ contribution towards health insurance coverage related to part-time teachers.

Risk Assessment Update – 2022

We note that the District plans to address this recommendation during the negotiations with the GCTA unit.

Risk Assessment Update – 2023 (This item is now closed)

We found that the District has updated the GCTA collective bargaining agreement as recommended.

Purchasing and Related Expenditures

Recommendation – Risk Assessment Update 2022

Segregation of Duties – We recommended that the District establish procedures to ensure someone separate from the Accounts Payable duties process is finalizing the orders being processed related to Amazon. We understood that the District would establish proper segregation of duties after filling the role vacated by the retirement.

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Risk Assessment Update – 2023 (This item is now closed)

We note that the District has established procedures to have an employee (i.e., Purchasing Clerk) who is separate from the Accounts Payable duties finalize the orders being processed related to Amazon.

Grants and Special Education

Recommendation – Risk Assessment Update 2022

Special Education – Improve Billings and Collections Processes – We recommended that the District implement the following:

- a) Develop procedures to ensure services being provided by private schools align with each students IEP. If a Private School is unable to provide the appropriate services, consider amending the students IEP to align with the available services, placing the student at a school that is capable of providing these services or have these students receive the services either in-District or through another third party provider.
- b) Develop procedures to ensure payments to other Districts related to Homeless and Foster Student placements are appropriate and properly supported.
- c) Develop procedures to ensure that the District is billing the Districts of Residence for any Homeless or Foster Students placed in the District.

Risk Assessment Update – 2023 (This item is now closed [moved to another report])

We performed a detailed review of financial operations of special education at the District during the 2022-23 year and this item was covered during that engagement. Refer to the Detailed Testing Report dated February 8, 2023 for more details regarding this item.

Capital Assets

Recommendation – Agreed-Upon Procedures 2019 (December)

Revise Board Regulation #5621 – We recommended that the District consider revising *Board Regulation #5621* to lower the threshold for recording fixed assets from \$1,000 to \$500 to align the amount with the District's procedures that uses a threshold of \$500 for tracking, tagging and recording inventory and fixed assets for insurance purposes.

Risk Assessment Update – 2021

We found that the District still needed to address this recommendation.

Risk Assessment Update – 2022

We note that the District plans to address this recommendation for the 2022-23 year.

Risk Assessment Update – 2023 (This item is now closed)

We found that the District has revised the Board policy related to fixed assets (now Policy 6645 – Accounting of Fixed Assets) and eliminated the prior regulation.

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Food Service

Recommendation – Agreed-Upon Procedures 2019 (December)

Analysis of Food Service Program - Financial Results – We recommended that the District perform an analysis of the food service program to determine a way to improve the financial results of the operations with the goal of at least being sustainable. We understood that this was the first year that the District was operating under the Community Eligibility Provision (CEP) at the elementary schools (ESs), therefore, the financial impact of providing free meals and receiving reimbursements within this CEP program still needed to be determined. We also suggested that the District monitor the School Food Service Fund because potential future operating losses may require transfers from the General Fund if the fund balance becomes a negative amount.

Risk Assessment Update – 2021

We noted that the District was in the process of analyzing the financial aspects of the food service program and the impacts due to the pandemic. We have also found that the District had started to budget an annual transfer amount of funds from the General Fund to the School Food Service Fund.

Risk Assessment Update – 2022

We found that the District continues to analyze the School Food Service Program as the financial results are still being impacted by COVID. We understood that the District planned to complete the analysis during the 2022-23 year hoping that the operations resume without impacts related to COVID.

Risk Assessment Update – 2023 (This item is now closed)

We note that the financial results of the School Food Service Program have been positive and the District continues to provide free meals for the students, which have resulted in profits for the program. We understand that the District plans to continue analyzing the financial results going forward.

Recommendation – Agreed-Upon Procedures 2019 (December)

Assess Breakfast Operations – We recommended that the District assess the breakfast operations at the District to determine if extending the hours at the Middle School (MS) and ESs may result in more meals being provided to the students at these schools during the breakfast period.

Risk Assessment Update – 2021

We found that the District is monitoring the breakfast activities that shows that the grab-and-go operation at the ESs is working well, but there is limited participation at the secondary schools. We understood that the District planned to assess the breakfast operations again after the impacts of the pandemic.

Risk Assessment Update – 2022

We found that the District continues to analyze the School Food Service Program as the financial results are still being impacted by COVID. We understood that the District planned to complete the analysis during the 2022-23 year hoping that the operations resume without impacts related to COVID.

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Risk Assessment Update – 2023 (This item is now closed)

We note that the financial results of the School Food Service Program have been positive and the District continues to provide free meals for the students, which have resulted in profits for the program. We understand that the District plans to continue analyzing the financial results going forward.

Information Technology

Recommendation – Agreed-Upon Procedures 2022 (March)

Timely Notifications to System Administrators – We recommended that the District develop procedures to ensure timely notifications to system administrators related to employee changes. We recommended that the District consider expanding the recipients who receive the email alerts by adding the system administrators of all key systems including nVision and Frontline programs. At a minimum, we recommended that the District develop formal procedures to communicate employee changes posted by the Human Resources staff to all system administrators in a timely manner.

Risk Assessment Update – 2023 (This item is now closed)

We found that the District is utilizing a program called Tools4Ever to automate some of the user account changes in the key systems. We note that the that the District has developed procedures to ensure the HR Department provides timely notifications to system administrators related to employee changes.

Recommendation – Agreed-Upon Procedures 2022 (March)

Data Center Improvements – We recommended that the District improve controls and conditions related to the Data Center by performing a cost/benefit analysis of installing a back-up power supply generator, a flood monitoring system (e.g., “leak” rope), an improved temperature control system that is properly designed for regulating temperatures throughout the year and a heat detecting fire suppression system within the area.

Risk Assessment Update – 2023 (This item is now closed)

We note that the District is planning to transfer the data from physical servers to the Cloud that will reduce the equipment in the Data Center and reduce the need for spending funds to implement the recommended items noted above. In addition, the District is also looking at stand-alone areas for the limited equipment after moving to the Cloud.

