

Glen Cove City School District
Independent Accountant's Report On
Applying Agreed-Upon Procedures
December 5, 2016

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

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

We have performed the procedures described in the following pages, which were agreed to by the Glen Cove City School District (District), solely to determine the effectiveness related to employee benefits administration, billings and receipts in complying with policies and procedures of the District during the period July 1, 2015 through September 30, 2016.

The District's management is responsible for administering these areas.

This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the District. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are described in the following pages.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the District's employee benefit administration, billings and receipts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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 engagement.

This report is intended solely for the information and use of the District and is not intended to be and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purpose.

Cullen & Danowski, LLP
December 5, 2016

GLEN COVE CITY SCHOOL DISTRICT
Report on Applying Agreed-Upon Procedures
For the Period Ended September 30, 2016

Introduction:

This report is categorized by function (i.e., employee benefits administration, billings and receipts), and there are five sections under each function consisting of:

- Background information
- Summary of the engagement
- Procedures performed during our detailed testwork
- Findings as a result of our review
- Recommendations to further strengthen internal controls or improve operational efficiency.

Some of the recommendations may require a reassignment of personnel duties within the District and/or a monetary investment. However, any enhancement of controls should be done after a careful cost-benefit analysis.

Corrective Action Plan:

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

The District should send the Corrective Action Plan (CAP) along with the respective Internal Audit Report via mail or email to the addresses listed below. The report needs to accompany the CAP to allow the Office of Audit Services (OAS) to reconcile the District's CAP to the report to ensure all items have been addressed (i.e., CAP is not missing any recommendations).

Submission Information – Mail & Email

New York State Education Department (NYSED)
Office of Audit Services (OAS)
89 Washington Avenue
Room 524 EB
Albany, NY 12234
Fsanda133@mail.nysed.gov

Contact

Office of Audit Services
(518) 473-4516

GLEN COVE CITY SCHOOL DISTRICT
Report on Applying Agreed-Upon Procedures (Continued)
For the Period Ended September 30, 2016

EMPLOYEE BENEFITS ADMINISTRATION

Background:

The District has obligations to fully or partially fund various employee insurance benefits based upon collective bargaining units with various employee groups and individual employees. There are several insurance plans that are paid by the District including health, vision, dental, life and disability. The employee benefits are either mandated (payroll taxes, NYS Teachers' Retirement System [TRS], NYS and Local Employees' Retirement System [ERS], etc.), or are required by either collective bargaining agreement or individual contracts with unaffiliated employees (Superintendent, assistant superintendents, confidential staff, etc.). The most significant employee benefit related to activity and costs is the health insurance coverage. Employees are required to make contributions towards their health insurance coverage. The amounts of these contributions is governed by the collective bargaining unit agreements between the Board and the various employee groups or by individual contracts between the Board and the unaffiliated employees. The 2016-17 budget related to the District's annual benefits costs for health insurance totals \$9,390,669, which is net of the employee contributions.

The proper administration of benefits is an important function of the District. There is a Benefits Clerk who administers benefits for the District. The Benefits Clerk adds, terminates and makes changes to employee and retiree coverage with the applicable insurance provider. Other Business Office staff assist the Benefits Clerk in the duties of the Benefits Department. The Accounts Payable Clerk reconciles the enrollee counts on the insurance invoices to the District's records based on information received from the Benefits Clerk. The Payroll Supervisor prepares a spreadsheet containing contribution amounts by bargaining unit, based on information received from the Benefits Clerk including a change in cost or a contribution change. Also, the Payroll Supervisor calculates changes in employee payroll deduction amounts based on changes in coverage types and enters them into the District's financial system (Finance Manager).

Employees are provided health insurance coverage under terms of the collective bargaining unit agreements and individual employee contracts. Each agreement and contract specifies the allocation of health insurance costs between the District and the employees' or retirees' contribution. The District offers two choices for health insurance coverage to employees: New York State Health Insurance Program (NYSHIP) and HIP Health Plan of New York (HIP). The majority of the participants are enrolled with NYSHIP with only a few participants enrolled with HIP.

Employees fill out a standard form to make any insurance coverage type changes (e.g., individual to family) and send it to the Benefits Clerk. The Benefits Clerk makes the change in the insurance provider's website and places the form in a pending file. The form is then compared to the insurance provider change report to ensure that the change was made properly. Additionally, a manual list is prepared by the Benefits Clerk each month that includes the new hires, terminations and changes in coverage types along with the effective date of such change. This list is provided to the Payroll Supervisor, who calculates the employees' payroll deduction amounts and enters the necessary changes in Finance Manager (FM). After the changes are entered, the lists are maintained in a binder in the Payroll Department.

The Benefits Clerk also administers retiree health insurance. Annually, the Benefits Clerk sends a letter to the retirees to inform them of the new rates resulting in a change in their contribution amount. The retirees are entered into the accounts receivable (AR) module in Finance Manager with the billing amounts. Retirees send their payments to the Benefits Clerk either monthly, quarterly or annually. The Benefits Clerk keeps track of the payments in a spreadsheet. Once logged in the spreadsheet, the checks are sent to the Business Office to be entered into the AR module of FM. If the retiree's contribution percentage ends in a 0 or a 5 (e.g., 5%, 10%, 15%, 20%), the retiree's contribution is automatically deducted by the state from the retiree's pension. NYSHIP then deducts the amount billed to the District by the retiree's contribution amount received from the state retirement system.

GLEN COVE CITY SCHOOL DISTRICT
Report on Applying Agreed-Upon Procedures (Continued)
For the Period Ended September 30, 2016

Summary:

We found that the separation of duties and oversight related to employee benefits is appropriate. We also note that the District has procedures to reconcile the health insurance provider invoices, investigate discrepancies, document insurance related changes, enter updates in the financial system and communicate with the enrollees. However, we note that some of these procedures and other duties are handled by Business Office staff other than the Benefits Clerk. Based on this finding and other results of our engagement, we have found that there are opportunities for enhancement related to employee benefits administration. (Refer to the findings section below for more details.) We recommend that the District consider implementing the recommendations noted below to further strengthen internal controls, improve operational efficiencies and/or reduce potential manual errors related to employee benefits activities.

Procedures:

Our procedures, as per the engagement letter dated July 1, 2016, were as follows:

- Review Board policies and District procedures related to employee benefits.
- Review all collective bargaining agreements and individual employee agreements to gain an understanding of the benefit related obligations of the District.
- Interview District personnel responsible for benefits related to billings, collections and provider payments for ensuring the accuracy of the data and that the changes to enrollments are handled in a timely manner.
- Compare the insurance benefits provided to employees to the respective bargaining unit contract requirements.
- Compare invoices to payroll records to ensure accuracy of payroll deductions.
- Review employee benefits related activity for the period and for each type of insurance benefit:
 - Select 1 month and test the invoices of each insurance provider to ensure that the payments are accurate, processed timely and properly supported (e.g., reconciliation documentation).
 - Select 50 active employees enrolled in each insurance benefits plan to ensure proper deductions from employees, payments to the plan providers are accurate and timely, and rates are in compliance with approved plans.
 - Select 15 retirees enrolled in each of the District's benefits plans to ensure accuracy of their payments and verify their eligibility.
 - Review general ledger account activity during that time period for unusual transactions or entries. Discuss any noted items with District personnel.
 - Review the annual recalculation of cost allocation as of January 1, 2016, for accuracy.
- Review the District's reconciliation of the monthly invoice for each benefit program to the District's employee and payroll records.

Findings:

Review of Board policies, District procedures, collective bargaining agreements and individual employee agreements related to employee benefits and interviews with District personnel responsible for employee benefits noted:

GLEN COVE CITY SCHOOL DISTRICT
Report on Applying Agreed-Upon Procedures (Continued)
For the Period Ended September 30, 2016

- There is a lack of written, formal procedures related to key processes that include reconciling *Employee Enrollee/Change Forms* to the health insurance provider invoice, reconciling the monthly provider invoice listings to the District's records, recording payments for retirees, billing part time employees who do not have sufficient wages to cover the cost of health insurance, and managing employees on unpaid leaves of absence.
- There are some duties that are usually handled by benefits clerks at other school districts that are being performed by other employees of the Business Office. For example, the reconciliation of the health insurance enrollee listing is performed by the Accounts Payable Clerk, the preparation of a spreadsheet of the contribution amounts by each bargaining unit, the calculation of any payroll deductions for changes in coverage types, the calculation of payroll deductions for employees who return from an unpaid leave, the tracking of part-time employees who elect health insurance coverage, and the handling of scenarios when the employees' paycheck does not cover their contribution amount are all tasks handled by the Payroll Supervisor. Also, billings and receipts for retirees are entered into FM by the Business Office staff. (Refer to the *Billings and Receipts* section below for more information about these activities related to health insurance.) These tasks would be performed by the benefits clerk and someone independent would review the work completed to ensure completeness and accuracy.
- The District does not utilize the Benefits fields and tables of the Human Resources module of FM to facilitate the recording and tracking of enrollees covered by the District's health insurance plans.
- The Benefits Clerk reviews the change report per the insurance provider's monthly invoice to the *Employee Enrollee/Change Forms*. The change report is then provided to the Accounts Payable Clerk who prepares a monthly reconciliation of the enrollee listing to the District's records. However, there is no procedure to compare the health insurance enrollee listing to the payroll deduction register on a periodic basis.
- The District lacks a defined open enrollment period for employees to enroll in the District offered health insurance plans, thus employees are able to request changes to coverage type anytime during the year.

Comparison of the insurance benefits provided to employees to the respective bargaining unit contract requirements found:

- The teachers' bargaining unit contract lacks language related to health insurance coverage for part-time employees or how the part-time employees' contributions should be computed. We found that the practice has been to offer coverage to any teacher working as a 0.5 full time equivalent (FTE) or greater and the employee is responsible for 50% of the cost. This results in the part-time teachers having an added benefit in that these employees are not required to pay 100% of the cost related to the percentage difference between their part-time and full-time status. For example, a 0.80 FTE part-time teacher would contribute 20% of the cost plus 50% of the remaining 80% of the cost rather than only 50% of the cost.

Comparison of invoices to payroll records to ensure accuracy of payroll deductions noted:

- The District does not have a procedure to compare the health insurance enrollee listing to the payroll deduction register on a regular basis.

Review of invoices of each insurance provider found:

- There were no exceptions as the payments were accurate, processed timely and properly supported.

Review of a monthly reconciliation of the health insurance invoice to the District's records noted:

- There was a part-time teacher who enrolled in the health insurance plan from May through August 2016; however, the District did not collect the employee's share of the cost totaling \$784 during these 4 months.

GLEN COVE CITY SCHOOL DISTRICT
Report on Applying Agreed-Upon Procedures (Continued)
For the Period Ended September 30, 2016

- There was an instance where an employee opted for the health insurance buy-out in April 2016. However, this request was not processed until June 2016 resulting in the District having to provide a refund to the employee in the amount of \$876 at June 30, 2016, related to their contributions during that period. Further review noted that there was no documentation in the benefits files for this employee showing that they have insurance coverage elsewhere to support the buy-out. We informed the Benefits Clerk about this matter and the District was still waiting to receive this information from the employee when we finished our fieldwork.
- The health insurance provider (NYSHIP) uses the employee's full social security number as an identifier on the enrollee listings resulting in unnecessary access to sensitive data.

Review of 50 active employees enrolled in the health insurance plan found:

- There were instances when part-time employees were unable to cover their contributions towards health insurance due to insufficient funds in their paychecks, so these individuals were billed by the Payroll Supervisor, but some of these payments were not submitted timely.

Review of 15 retirees enrolled in the health insurance plan noted:

- There was 1 retiree who terminated insurance for two years; however, NYBEAS (New York Benefits Eligibility and Accounting System) incorrectly collected his 5% contribution amount during this time. The retiree enrolled again in the District's health insurance plan, but has not been contributing that resulted in the retiree owing \$1,225 for 23 months from January 2015 through November 2016. Refer to the *Billing and Receipts* section below.

Review of general ledger account activity found:

- There were no unusual transactions or entries posted in the general ledger.

Review of the annual recalculation of cost allocation as of January 1, 2016 noted:

- The spreadsheet that details the contribution rates and amounts by coverage type is prepared by the Payroll Supervisor, based on costs provided by the Benefits Clerk. We noted no exceptions or errors in the calculations.

Recommendations:

We recommend that the District consider implementing the following item to further improve internal controls and operational efficiencies related to employee benefits administration:

1. Create written, formal procedures related to key processes performed in the benefits function including reconciling *Employee Change Forms* to the health insurance provider invoice, reconciling *Change In Payroll Deduction Forms* to the payroll deduction register, recording payments for retirees or employees on unpaid leaves of absence, etc.
2. Develop a plan to assign the following duties to the benefits clerk position, since these responsibilities are normally included with this role:
 - 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.

GLEN COVE CITY SCHOOL DISTRICT
Report on Applying Agreed-Upon Procedures (Continued)
For the Period Ended September 30, 2016

- c) Perform monthly insurance reconciliations of the enrollee listing to the District's records. At least quarterly, this review should be a complete reconciliation of covered employees to payroll deduction registers.
 - d) 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.
3. Utilize the Benefits module in FM to record and track all employees and retirees enrolled in the health insurance plans. We recommend 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 will help ensure that coverage is provided to the appropriate individuals and that the allocation of costs are accurate.
 4. Revise the teachers' bargaining unit contract to include specific language regarding benefits for part-time employees (e.g., 0.5 FTE or more) and the methodology of computing the employees' contributions. Consider requiring the part-time employees to pay 100% of the cost related to the percentage difference between their part-time and full-time status. For example, a 0.80 FTE part-time teacher would contribute 20% of the cost plus 50% of the remaining 80% of the cost rather than only 50% of the cost.
 5. Develop procedures to have a defined open enrollment period for employees to enroll in the District offered insurances. This would limit employees to only be able to make changes related to coverage type during the enrollment period, unless there is a life changing event.
 6. Establish procedures to reconcile the amount collected by NYBEAS to the amount that the District is billed for retiree health insurance from NYSHIP to ensure that the records agree.
 7. Contact NYSHIP to discontinue the unnecessary use of the employees' full social security number as an identifier on the enrollee listing. We recommend that the District encourage NYSHIP to use another identifier for employees to safeguard highly sensitive data.

BILLINGS AND RECEIPTS

Background:

Good business practice requires that the District establish adequate controls over invoices, receipts, deposits, and receivables within the billings and accounts receivable function. These controls should ensure the timeliness in producing invoices; the accuracy in billing amounts; completeness and accuracy of cash receipts; the safeguarding of funds collected; the retention of proper documentation supporting the receipts and deposits; and proper collection efforts.

Commissioner's Regulations (CR) §170.2 (h) and (i) require the use of pre-numbered receipt forms. In the event that cash is received, districts should use triplicate receipt forms, where the original would be issued to the payer, a copy retained in the book held by the collector of funds, and a copy included with the funds submitted to the Business Office for deposit into the bank. This helps to establish accountability and proper tracking over the collection of funds.

We found that the District has billings and receipts activities in the Business Office related to health insurance, related services and special education. The health insurance activities represent the largest amount of the District's billings and receipts transactions. The District utilizes the accounts receivable (AR) module of FM to process invoices and manage accounts receivables for health insurance (i.e., retirees and COBRA), and special education billings to other school districts. In addition, we note that there are several programs or events that involve the collection of receipts outside of the Business Office including use of facilities, driver's education, adult education, AP Exams, NYSSMA, field trips and lost textbooks. We interviewed several employees responsible for

GLEN COVE CITY SCHOOL DISTRICT
Report on Applying Agreed-Upon Procedures (Continued)
For the Period Ended September 30, 2016

these activities and the detailed testing included a selection of transactions, plus a review of the billings, receipts and collections processes related to these activities.

Summary:

We found that there has been improvement with the handling of cash receipts, as the District has established standard procedures at the schools and in the Business Office, which include the use of pre-numbered triplicate receipts. The District has also significantly reduced the amount of cash collected at the schools by increasing the number of checks or money orders as methods of payments collected at the schools, therefore, reducing the amount of cash that is received from payees.

We also found that there is opportunity for further improvement related to the billings and receipts processes as noted in the findings section below. We recommend that the District consider implementing the recommendations noted below to further strengthen internal controls and improve operational efficiencies related to billings and receipts activities.

Procedures:

Our procedures, as per the engagement letter dated July 1, 2016, were as follows:

- Review Board policies and District procedures related to the billings and receipts processes.
- Review billings and collections related to insurance benefits to ensure proper segregation of duties and identify opportunities for operational efficiencies within the benefits function.
- Select 25 billings to third parties from different areas of the District and compare to supporting documentation. Review to ensure that payments have been received and applied correctly.
- Select 40 additional receipts during the period under review by the District and verify that internal controls ensure completeness and accuracy.

Findings:

Review of Board policies and District procedures, and interviews with personnel responsible for billings and receipts noted:

- The District has Board policies and standard forms related to billings and receipts activities that include *Board Policy 3280 – Community Facilities*, along with an *Application for Use of School District Facilities Form*, *Board Policy 5230 – Acceptance of Gifts, Grants and Bequests to the School District*, *Daily Receipts Log*, and *Field Trip and Other Activity Tally Sheets*.
- There has been improvement related to the receipts process at the Business Office that includes the use of a pre-numbered triplicate receipt form when receiving cash and checks from the schools. However, the triplicate receipt forms are not prepared for all deposits and there are no formal procedures that would note the types of deposit requiring the completion of the pre-numbered triplicate receipt form.
- The driver's education program requires the students to pay via a check or money order. The only time that cash is requested is when a check is returned by the bank due to insufficient funds. If cash is received, the program uses a duplicate receipt book to record the transaction with the original given to the payee and the copy retained in the book. However, the use of a pre-numbered triplicate receipt book is best practice and the third copy would be included with the receipts submitted to the Business Office.
- The drivers' education and adult education programs maintain Excel spreadsheets listing the students in the program, as well as, the check number, date and payment amount. The collections at the schools including AP Exams, NYSSMA, and field trips include the use of student lists related to these activities.

GLEN COVE CITY SCHOOL DISTRICT
Report on Applying Agreed-Upon Procedures (Continued)
For the Period Ended September 30, 2016

However, the list of students is not included with the receipts submitted to the Business Office, which would support the amount of funds.

Review of billings and collections related to insurance benefits noted:

- The District has been preparing and printing invoices related to health insurance billing (retirees, COBRA, etc.) in the AR module of the FM system. However, the invoices were filed in the Business Office instead of being mailed to the individuals. We have been informed that the practice at the District has been to call the retirees or COBRA participants if their payment has not been received by the due date.
- The role of the benefits clerk at other school districts usually includes the responsibility of handling the invoicing related to health insurance (e.g., retirees, COBRA, etc.) Although the District's Benefits Clerk maintains a detailed Excel spreadsheet of the amounts due for each enrollee and records the payment information related to the receipts, the Benefits Clerk does not set-up the billing records in the AR module of FM. Other employees in the Business Office create the accounts in the AR module of FM. We found that the District is in the process of reconciling the AR module to the Excel spreadsheet. We have been informed that the District thus far identified 1 enrollee who was not billed since April 2016 and invoiced the enrollee accordingly.
- There were instances when the retirees, part-time employees who didn't have sufficient wages to cover the cost of health insurance, and employees who were on leaves of absence were late with providing payments to the District. Additionally, we noted that the District is billed a month prior to the coverage period month; however, the retirees and COBRA individuals pay a month behind.
- There were 2 employees on leaves of absence (workers compensation) who were not included in the AR module. Although these individuals were submitting their health insurance payments, the billings for these retirees should have been entered into the AR module.
- The Benefits Clerk was processing the Medicare Part-B reimbursement without obtaining the proper documentation to support the amount. In addition, the Benefits Clerk did not perform any procedures to verify that the retirees were still living. The District has recently implemented procedures to address these items.

Review of the selected 25 billings to third parties and 40 additional receipts found:

- Some of the payments made for the retiree portion of the cost of health insurance were paid in cash. Further review noted that there was an instance where a retiree did not submit payments for several months, then caught up by making a cash payment of \$1,400. The requirement for enrollees to make payments by check or money order instead of cash would reduce risk.
- There was 1 retiree whose 5% contributions towards health insurance were withheld from their pension. However, these contributions ceased resulting in the retiree owing \$1,225 for 23 months from January 2015 through November 2016 as noted in the *Employee Benefits Administration* section above. We understand that the District has invoiced the retiree accordingly.
- There were 8 cash items totaling \$2,132 that were recorded in the *Daily Receipts Log*, but the required pre-numbered triplicate receipt form was not prepared by the Business Office. This includes the \$1,400 noted in the previous bullet point and \$575 to replace a check related to the drivers' education program.
- There are opportunities for improvement related to the billings and receipts for the use of facilities. We found that the billing is handled manually using memos that are sent to the requestors, the billing memos are not logged or posted to facilitate the collection process, and there is no formal process to reconcile the billings to the actual use of facilities events. We also found that the *Finance Manager Detail Account*

GLEN COVE CITY SCHOOL DISTRICT
Report on Applying Agreed-Upon Procedures (Continued)
For the Period Ended September 30, 2016

Transactions Report, for revenue account A2410 – Rental of Real Property, included some general descriptions in the explanation field instead of listing the name of the organization.

- There were 3 instances where the use of facilities checks (\$800, \$1,762 and \$312) were received and processed by the Business Office, but the notification that these invoices had been paid was not provided to the Facilities Department. As noted above, the billings are manually prepared memos and if the invoices were posted in FM, these items would have been included in the AR Aging Report.
- During our review of the *AR Aging Report* as of September 30, 2016, related to special education billings to other school districts, we found that there was 1 old, outstanding AR balance of \$7,636. We understand that the other school district has refused to submit the amount due to the District. We also note that there were 3 old credit balances totaling \$3,777 due to the estimated special education rates used for billing other districts, which ended up being less than the actual rates that were provided to the District subsequent to the billing, resulting in credits.

Recommendations:

We recommend that the District consider implementing the following items to further improve internal controls and operational efficiencies related to billings and receipts:

1. Create formal written, procedures in the Business Office related to the pre-numbered triplicate receipt form, which includes documenting the tasks performed and clearly defining the types of deposits, requiring the completion of the pre-numbered triplicate receipt form.
2. Develop procedures to ensure that all health insurance related billings are entered into the AR module, print the monthly invoices and mail the invoices to the enrollees. We suggest that the District consider assigning the task of entering records into the AR module to the Benefits Clerk and enhancing operational efficiencies by eliminating the duplicate efforts of maintaining a separate Excel spreadsheet. In addition, we recommend that the District complete the review of the health insurance billings to ensure the completeness of the data in the AR module, which would improve the handling of health insurance accounts related to overdue balances.
3. Establish procedures to require the health insurance enrollees to provide payments via check or money order instead of cash.
4. Require the use of pre-numbered triplicate receipt books to be used at the schools whenever cash is received at the programs as per CR §170.2 (h) and (i). The original would be issued to the payer, a copy retained in the book held by the collector of funds, and a copy included with the funds submitted to the Business Office for deposit into the bank.
5. Establish procedures to ensure the completeness of receipts submitted by the schools to the Business Office by requiring the programs (adult education, driver's education, AP Exams, NYSSMA, field trips, etc.) to include the list of students to support the amount of funds. In the absence of a list, there is a risk that money was not collected from all students or there were students who have not paid for the activity.
6. Develop procedures to use the AR module to enter and create invoices related to the use of facilities to improve the monitoring and accounting of these activities. This would also strengthen the collection process by providing an AR Aging Report to identify any outstanding balances and centralize the invoicing process. We suggest that the Facilities Department send the approval and billing memo to the Business Office to prepare the invoice in the AR module and mail the invoice to the requestor. We also recommend that the District establish procedures to reconcile the fiscal year billings to the actual use of facilities events and formally document this process. We suggest printing out a usage report from the Facilities Direct module and agreeing the rental information to the report from the AR module to ensure completeness. In addition, we recommend that the District include the name of the organization along with the school building (e.g., high school, middle school, etc.) in the explanation field to facilitate a

GLEN COVE CITY SCHOOL DISTRICT
Report on Applying Agreed-Upon Procedures (Continued)
For the Period Ended September 30, 2016

review and reconciliation of the FM Detail Account Transactions Report for revenue account A2410 - Rental of Real Property to the use of facilities activity.

7. Establish procedures to review the AR Aging Report monthly and resolve the outstanding AR balances in a timely manner, including the accounts with other school districts over a year past due.

