

<u>Status</u>	<u>Description of change</u>	<u>PKF O'CONNOR DAVIES AUDIT RECOMMENDATIONS - 10/30/20 Updated August 25, 2023</u>	<u>Last Updated</u>	<u>Estimated Completion</u>	<u>Person Responsible</u>
Done	Town purchasing policy is followed, exception requisitions include general notes explanation of sole provider and reason.	1. <u>COMPLIANCE - PURCHASING - COS-1 Recommendation</u> - We recommend that the Education Department immediately implement procedures to comply with the Town's purchasing policy.	2/9/2021	Complete	Paul Hendrickson
Done	1.28.21 Meeting with Town Purchasing Director, stated he understood that TBOE has unique purchasing processes and TBOE should state such needs in PO detail.	2. <u>COMPLIANCE - PURCHASING - COS-2 Recommendation</u> - Due to the certain unique aspects of education related purchases, we recommend that the Town and District review the current purchasing policy and update the policy to address specific education related exemptions to the Town's purchasing requirements.	2/9/2021	Complete	Paul Hendrickson
Done	TBOE is following State Statute. The first transfer of 2020-21 was approved by the Finance Committee at its 2/25 meeting and forwarded to the Board of Education for consideration.	3. <u>COMPLIANCE - BUDGET TRANSFERS - COS-3 Recommendation</u> - We recommend that the District immediately begin complying with State Statutes and their policy regarding budget transfers.	2/9/2021	Complete	Paul Hendrickson
Done	TBOE is following this procedure starting 20-21.	4. <u>COMPLIANCE - BUDGET TRANSFERS - COS-4 Recommendation</u> - We recommend that if and when the Education Department records the excess cost grant as a credit to expenditures that the credit be posted to the overspend special education budget lines.	2/9/2021	Complete	Paul Hendrickson
Done	TBOE will show the excess cost grant in the 200 Fund for 2020-2021.	We also recommend that the excess cost grant be recorded in the grants fund so that all activity is presented gross in the financial statements.			
Done	TBOE is following Town Charter.	5. <u>COMPLIANCE - ISSUANCE OF DEBT - COS-5 Recommendation</u> - We recommend that the Board of Education comply with the Town Charter and obtain proper authorization to issue notes (debt).	2/9/2021	Complete	Paul Hendrickson
Town	Town Recommendation	6. <u>COMPLIANCE - ISSUANCE OF DEBT - COS-6 Recommendation</u> - We also recommend that the Town consider for the next charter revision updating of Section VI to address all types of debt issuances.			Town
Done	TBOE is following Town purchasing policy.	7. <u>PURCHASING - PUR-1 Recommendation</u> - <i>This Recommendation was not numbered (page 17)</i> . We recommend that the District immediately implement procedures to comply with the Town's purchasing policy.	2/9/2021	Complete	Paul Hendrickson
Done	TBOE records all purchases with the requisition (req) to Purchase Order (PO) process. However, we do not record credit card transactions through this process as credit card transaction should be for emergency purchases. There is no time to go through the req to PO process and that is why the credit card is being used in the first place. In addition, a payment made against the credit card for an individual transaction does not allow for the PO to be released in Munis as the PO would be made to the vendor not the credit card company. Lastly, a PO for credit card use creates another function that the Accounts Payable (AP) coordinator must do to release PO and this does not serve as a check and balance as it does not tie to the actual payment made.	8. <u>PURCHASING - PUR-2 Recommendation</u> - <i>This Recommendation was not numbered (page 17)</i> . We recommend that the District immediately require the use of purchase requisitions and purchase orders to document the approval for all purchases in accordance with the Board's policy. This should include all purchases made with the District credit card.	2/9/2021	Complete	Paul Hendrickson
In Progress	Payroll and HR together input salaries at the start of the school year. The Business Administrator then verifies. Each subsequent payroll, the Business Administrator samples the payroll for accuracy.	9. <u>PAYROLL - PAY-1 Recommendation</u> - We recommend that the Payroll and Insurance Manager be restricted from the rights to change employee pay rates. All employee rates should be updated by the Human Resources Department based upon authorized payroll change forms. In addition, we recommend that a payroll change report be produced, reviewed and approved by the Human Resources Department to verify that all changes were authorized. The review and approval should be formally documented.	8/25/2023	Ongoing	Paul Hendrickson Deb Nakano, Joe Chella
In Progress	Began the review process; reviewed gross amounts by pay category.	10. <u>PAYROLL - PAY-2 Recommendation</u> - We recommend that the payroll register be reviewed and approved by the Business Office prior to the final processing.	7/8/2021	Ongoing	Paul Hendrickson Deb Nakano
Done	2021-22 Budget approval of position needed-however Business Office has added the 1 FTE, \$60k to salary line and \$20k to benefits line in the 2021-22 budget.	11. <u>PAYROLL - PAY-3 Recommendation</u> - We recommend that the District consider filling the vacant position in order that the Department has the resources necessary to ensure proper and accurate payroll processing, allow for proper monitoring and to allow for proper internal controls. This will also allow for adequate cross training and backup for the position.	2/9/2021	Complete	Paul Hendrickson
Done	All new unemployment claims are being handled by HR.	12. <u>PAYROLL - PAY-4 Recommendation</u> - We recommend that the Human Resources Department process unemployment claims with the necessary support provided by the Payroll Department.	12/22/2021	Complete	Paul Hendrickson Deb Nakano, Regina

Done	TBOE is in the process of implementing Nova Time. 2/05/2021 was the kickoff meeting, included HR and entire Business Office staff.	13. <u>PAYROLL – PAY-5 Recommendation</u> – We recommend that the District implement procedures to automate entry of timesheets.	2/9/2021	Complete	Paul Hendrickson
In Progress	Payroll and HR together input salaries at the start of the school year. The Business Administrator then verifies. Each subsequent payroll, the Business Administrator samples the payroll for accuracy.	14. <u>HUMAN RESOURCES – HR-1 Recommendation</u> – We recommend that the Human Resources Department enter employee pay rates and pay rate changes. We also recommend that the payroll change report be produced, reviewed and approved by the Department. The review and approval should be formally documented.	8/25/2023	Ongoing	Paul Hendrickson Deb Nakano, Joe Chella
In Progress	Position Control training began with Tyler Technologies for a half day on Thursday, April 1st. A second session to review District data is scheduled for all day Monday, May 17th. 9/30/21 - Phone conference set-up with Tyler Tech on 10/8 to arrange training A new HR Director was hired in January 2023, and the completion date for Position Control was reset to 10/31/2023.	15. <u>HUMAN RESOURCES – HR-2 Recommendation</u> – We recommend that the Human Resources Department implement procedures to properly update all the information in the spreadsheet. We also recommend that the spreadsheet be made available or sent to the Business Office for the purpose of monitoring the changes in the salary budget in order that requests for new positions can be properly evaluated. We recommend that request for new positions should only be approved if a funding source is identified.	8/25/2023	10/31/2023	Paul Hendrickson Joe Chella
Done	Munis Employee Self Service (ESS) was implemented on October 28, 2022.	16. <u>HUMAN RESOURCES – HR-3 Recommendation</u> – We recommend that the District implement the employee self-serve function of the software to create efficiency and timeliness.	8/25/2023	Complete	Paul Hendrickson
Done	Effective 7/01/21 - A/P Coordinator will bill for insurance with documentation provided by Ins. Coordinator and Accounting Support will collect payment and update A/R report for insurance collections.	17. <u>INSURANCE AND BENEFITS – IB-1 Recommendation</u> – We recommend that the process of billing, collection and updating accounts receivable records be properly segregated.	6/8/2021	Complete	Paul Hendrickson Christine Madden Suelen Rutigliano Alicia DiLorenzo
Done	Accounts Payable Coordinator is facilitating all invoices to be mailed to Business Office.	18. <u>ACCOUNTS PAYABLE – AP-1 Recommendation</u> – We recommend that all invoices are mailed to the Business Office, and not the schools or other departments.	2/9/2021	Complete	Paul Hendrickson
Done	A/P Coordinator now has a "Paid" stamp that she uses to stamp all invoices before attaching to the check cover.	19. <u>ACCOUNTS PAYABLE – AP-2 Recommendation</u> – We recommend that all invoices be cancelled to prevent the possibility of reprocessing.	2/9/2021	Complete	Paul Hendrickson
Done	Accounts Payable Coordinator is facilitating all invoices to be mailed to Business Office.	20. <u>ACCOUNTS PAYABLE – AP-3 Recommendation</u> – We recommend that all invoices that are to be mailed be secured to ensure that they are not misappropriated.	2/9/2021	Complete	Paul Hendrickson
Done	Accounting Support records all revenue based on register reports. School Lunch cash short is recorded as A/R and cash over is recorded as deferred revenue.	21. <u>CASH RECEIPTS – CR-1 Recommendation</u> – We recommend that revenue be recorded, where possible, based upon a register report or other supporting documentation and that deposits be reconciled to the revenue amount recorded. For the school lunch program, a cash short and over account should be used to monitor any shortages.	6/8/2021	Complete	Paul Hendrickson Peg Brindisi Alicia DiLorenzo
Done	Insurance billing and collection to be segregated 7/01/2021, prep of bank recs is segregated from collections and update of A/R. TBOE to load A/R in Munis and remove from Quickbooks, implementation start date estimated to be in FY 2022-23.	22. <u>CASH RECEIPTS – CR-2 Recommendation</u> – We recommend that the processing of billing, collections, recording activity in the general ledger, updating accounts receivable and preparation of the bank reconciliation be properly segregated.	6/8/2021	Complete	Paul Hendrickson Peg Brindisi Alicia DiLorenzo Suelen Rutigliano
Done	All schools & departments are now bringing deposits to the bank. All monies that are transmitted will be counted in the presence of the employee transmitting the monies to bank and the employee will be provided a receipt documenting the amount transmitted	23. <u>CASH RECEIPTS – CR-3 Recommendation</u> – We recommend that when all monies are transmitted that the monies be counted in the presence of the employee transmitting the monies and that the employee be provided a receipt documenting the amount transmitted.	6/8/2021	Complete	Paul Hendrickson Peg Brindisi Alicia DiLorenzo
Done	Munis Funds Totals and General Fund monthly detail report is provided to the BOE Finance Committee and BOE on a monthly basis.	24. <u>FINANCIAL REPORTING – FIN-1 Recommendation</u> – We recommend that the Board of Education be provided the complete expenditure budget and actual report from the general ledger software. Additional summarized reporting could also be provided as a supplement if it assists in the discussion.	2/9/2021	Complete	Paul Hendrickson
Done	All Funds are reported (including tie out to Munis Funds Total report) to the BOE Committee on a monthly basis. Done - reported monthly Done - reported monthly There is no Transportation Fund.	25. <u>FINANCIAL REPORTING – FIN-2 Recommendation</u> – We recommend that the District comply with the current policy and provided the Board of Education of all the financial information required by their policy. We also recommend that the policy be updated to include reports for all financial activity of the District. This would include the following additional funds: · School lunch fund · Grant fund · Transportation fund	2/9/2021	Complete	Paul Hendrickson

	All funds are reported monthly.	Reports for other funds can be provided on a less frequent basis than monthly but should be no less than quarterly.				
Done	As of 7/1/2021 I/T will have administrative rights (permission control) over Munis.	26. <u>MUNIS UTILIZATION – MUNIS-1 Recommendation</u> – We recommend that the I/T Director have access to the Munis software system. This access should include administrative rights in order that activity can be monitored. In addition, it is a best practice that account department users not have administrative access for certain items and/or the logs for the user be reviewed and monitored on a periodic basis.	6/8/2021	Complete	Paul Hendrickson Jeff Hackett Christine Madden Michele Mirmina	
Done	Munis System Administrator and Asst. Business Manager have open and ongoing discussions as to who has access to Munis and what they may access when working in system.	27. <u>MUNIS UTILIZATION – MUNIS-2 Recommendation</u> – We recommend that system rights for all employees be reviewed to ensure that employees have the minimum rights necessary to complete their job function.	2/9/2021	Complete	Paul Hendrickson	
Done	The District's 2021-22 budget practices and related chart of accounts are in compliance with the PKF audit suggestions regarding Review of Budget Development, Budget Transfers and Actual Expenditures section. TBOE would like to streamline its chart of accounts in the future, given time available to do so. In addition, when the Uniform Chart of Accounts was reviewed approximately 5 years ago by the State (Blum Shapiro, Mike Popham), they confirmed TBOE accounts were in accordance with State regulations if a crossover would be needed. Note, the CT State never implemented this for EOY EFS purposes.	28. <u>MUNIS UTILIZATION – MUNIS-3 Recommendation</u> – We recommend that the District review the current chart of accounts for compliance with the State of Connecticut uniform chart of accounts and for functionality and management reporting purposes. We have made recommendations related to the District's budget practices and related chart of accounts in the Review of Budget Development, Budget Transfers and Actual Expenditures section.	6/8/2021	Complete	Paul Hendrickson	
In Progress	TBOE Business Office is now in meetings with NovaTime to implement the automation of employee time tracking. 2/05/2021 was kickoff meeting. The Payroll Manager and Business Manager have weekly meetings with NovaTime. As of 3/24 we are on schedule. 3/30 - Meeting between Facilities Staff and NovaTime to understand pay rules/policies. 4/7 - Meeting between Food Service Staff and NovaTime to understand pay rules/policies. 4/14 - Reviewed timeclock operation; reviewed data required for personnel upload. 4/21 - Discussed training on system use for staff. 4/28 - Reviewed process for extracting custodial demographic data from MUNIS and importing into NovaTime. 9/30 - All non-certified personnel except paras are using NovaTime. Doing comparison of timesheets v. Nova Time. Imported NovaTime data for payroll. 8/25 /2023 - Food Service is the only remaining group and will begin with the start of school. It is anticipated that the transition will be completed by the end of September.	29. <u>NOVA – NOVA-1 Recommendation</u> – We recommend that the District develop a strategy to identify a plan and the necessary resource requirements to complete the implementation. Automation of the payroll process will create efficiency and reduce potential errors as compared to entering data manually. We have made recommendations related to the District's budget practices and related chart of accounts in the Review of Budget Development, Budget Transfers and Actual Expenditures section.	8/25/2023	9/30/2023	Paul Hendrickson	
Done	Health Insurance spreadsheet completed for 2021-22 budget. This includes the amount to be charged to the 210 Fund - School Lunch. Health insurance figures were independently verified by the BOE's benefits consultant.	30. <u>HEALTH INSURANCE COVERAGE – HIC-1 Recommendation</u> – We recommend that the budget support document the employees/amounts charged to other funds and the net amount to be charged to the Education budget.	3/3/2021	Complete	Paul Hendrickson	
Done	Health Insurance spreadsheet completed for 2021-22 budget. This includes the employees' contributions to the 001 Fund (Operating Budget) and 210 Fund (School Lunch). Health insurance figures were independently verified by the BOE's benefits consultant.	31. <u>HEALTH INSURANCE COVERAGE – HIC-2 Recommendation</u> – We recommend that the budget support document include a calculation of the estimated employee contributions by fund/program.	3/3/2021	Complete	Paul Hendrickson	
Done	TBOE budgeted 2021-22 with employee insurance withholding as a credit to an expense account. We understand the Operational Audit position on this accounting function and will take it under advisement for the 2022-23 Budget.	32. <u>HEALTH INSURANCE COVERAGE – HIC-3 Recommendation</u> – We recommend that the employee contributions be recorded as a general fund liability vs. as a credit to the expenditure budget. Payment of the medical and dental invoices should be recoded first to zero out the withholding account with the balance of the invoice recorded as a District expenditure.	6/8/2021	Complete	Paul Hendrickson	

Done	A formal job description has been received.	33. <u>PAYROLL LUNCHROOM AIDES – PAY-1 Recommendation</u> – We recommend that the District review the use of lunchroom monitors/aides and formalize their job description. We also recommend that the lunchroom monitors/aides report to the Cafeteria Manager in order to ensure that they are efficiently and effectively utilized to support the program. If these employees are performing tasks for the school principals, that time must be charged to the general fund since it would not be an allowable cost of the program.	7/8/2021	Complete	Paul Hendrickson Betty Sinko Joann Perkowski
Done	All employees have been budgeted in 2021-22 according to actual 2020-21 FTE by location.	34. <u>PAYROLL PARAS – PAY-2 Recommendation</u> – We recommend that the District budget all non-teachers related substitutes in the proper department. · Extra/substitute paraprofessional work 32.5 hours per week for 39 weeks per year. The estimated payroll for fiscal year 2020 was not available. The salaries are charged to the budget line PPS-admin instruction paras. These paras do not receive any benefits.	2/9/2021	Complete	Paul Hendrickson
Done	All employees have been budgeted in 2021-22 according to actual 2020-21 FTE by location. Budget transfers will be made to accounts before reflecting negative available balances.	35. <u>PAYROLL for GEN FUND, LUNCH, SPEC REV – PAY-3 Recommendation</u> – We recommend that the District budget be developed to include estimates for all known employees. Prior year actual amounts should be considered when developing the current year budget. When needs change, budget transfers should be requested prior to budget lines being over expended.	2/9/2021	Complete	Paul Hendrickson
Done	Custodians have been budgeted in 2021-22 according to actual 2020-21 FTE by location. Budget transfers will be made to accounts before reflecting negative available balances.	36. <u>PAYROLL CUSTODIANS – PAY-4 Recommendation</u> – We recommend that custodian regular salary budget calculation be reviewed to determine that the budget support and adopted budget are being correctly calculated.	2/9/2021	Complete	Paul Hendrickson
Done	Analyzing custodians / maintenance / security guards payroll line items for possible reduction in number of budget lines. Changes, if any, will be implemented in the 2021-22 budget on 7/01/2021.	37. <u>PAYROLL CUSTODIANS – PAY-5 Recommendation</u> – We recommend that remaining salary accounts in the above analysis be reviewed to determine whether they are needed to be accounted for separately.	6/8/2021	Complete	Paul Hendrickson Deb Nakano Peg Brindisi
Done	A 3 year analysis is shown on the 2021-22 budget lines and the police budget is deemed sufficient (object 53301). COVID has reduced costs significantly.	38. <u>PAYROLL POLICE– PAY-6 Recommendation</u> – We recommend that the prior year’s actual expenditures (3 year average) be considered before adopting the budget amount for police.	2/9/2021	Complete	Paul Hendrickson
Done	Overtime (OT) has been budgeted in 2021-22 according to actual three year comparison.	39. <u>PAYROLL SECURITY GUARDS – PAY-7 Recommendation</u> – Overtime budget estimates should be properly supported. In addition, overtime should be properly monitored and controlled and if the District’s staffing needs change a transfer request should be made before the budget is over expended.	2/9/2021	Complete	Paul Hendrickson
Done	Analyzing custodians / maintenance / security guards payroll line items for possible reduction in number of budget lines. Changes, if any, will be implemented in the 2021-22 budget on 7/01/2021.	40. <u>PAYROLL MAINTENANCE – PAY-8 Recommendation</u> - Overtime budget estimates should be properly supported. · In addition, overtime should be properly monitored and controlled. If the District’s needs change, a transfer request should be made before the budget is over expended. It is unclear why there are 2 overtime accounts in the maintenance budget that have amounts charged to them. Only	6/8/2021	Complete	Paul Hendrickson Deb Nakano Peg Brindisi
Done	Budgeted amount was based on average of three years actuals.	41. <u>PAYROLL RETIREMENT – PAY-5?? Recommendation</u> – I believe this was numbered incorrectly (page 42). We recommend the District implement procedures to document and track savings in the salary budget due to retirements. This will provide the District the information necessary to be able to properly estimate and budget this amount.	2/9/2021	Complete	Paul Hendrickson
Done	The Business Office received 2021-22 projections from the Transportation Coordinator. The Business Manager verified these projections.	42. <u>TRANSPORTATION – TRP-1 Recommendation</u> – We recommend that the budget support be developed and retained for regular transportation to ensure adequate amounts are budgeted based upon projected enrollment and contract rates.	3/3/2021	Complete	Paul Hendrickson
Done	The Business Office received 2021-22 projections from the Transportation Coordinator. The Business Manager verified these projections.	43. <u>TRANSPORTATION – TRP-2 Recommendation</u> – We recommend that the budget support be developed and retained for special education transportation costs to ensure adequate amounts are budgeted based upon known special education requirements and contract rates.	3/3/2021	Complete	Paul Hendrickson
Done	There will be a Grant Fund account set up for Excess Cost Reimbursemtn (ECR) to record funds received and expended once TBOE has Town approval for fund transmission.	44. <u>TRANSPORTATION – TRP-3 Recommendation</u> – We recommend that when the excess cost grant is received by the District that the grant be recorded in the Grants Fund along with the related special education costs (tuition, transportation, etc.) for the same amount.	6/8/2021	Complete	Paul Hendrickson Tammy Hartman
Done	The newly hired Pupil Personnel Services (PPS) Director has established revised parameters for PPS to identifying the SEECG students.	45. <u>SPECIAL EDUCATION – SPED Recommendation</u> – This Recommendation was not numbered (page 53). We recommend that the District revise its procedures for estimating and entering cost information into the State Department of Education excess cost systems as follows: · Only students who are expected to exceed the State Department of Education minimum threshold amount be accounted	2/9/2021	Complete	Paul Hendrickson

Done	The PPS Admin Asst has developed a SEECG In House template to track the students that will be reported.	<ul style="list-style-type: none"> We recommend that a form be developed and implemented to estimate the total cost for identified excess cost students. This form should also be used to account for the actual cost of the student for audit purposes and final reporting to the State. <p>This will create efficiency and eliminate unnecessary accounting and reporting for students who are not expected to meet the Using actual estimates vs. amount in excess of the minimum threshold will reduce the risk of over reimbursement.</p>			
Done	PPS and the Business Office have implemented these procedures prior to the Operational Audit.	<p>46. <u>SPECIAL EDUCATION – SPED-2 Recommendation</u> – Below are recommendations regarding the internal control and best practices related to the excess cost reimbursement grant form. The CT State Department of Education form is named Special Education Excess Cost Grant (SEECG). We did not perform any detailed testing of the form and therefore some of the recommendations below may be currently in place.</p> <p><u>Review of Excess Cost Reimbursement Reports – We recommend that the Board of Education develop and implement formal</u></p> <ul style="list-style-type: none"> Develop procedures and related forms to ensure that actual costs are reported on the SEECG form. Develop procedures and related forms to properly track costs by student and prepare and update the SEECG form as Vendors must be required to provide details on the students for which services were performed. Allocation methodologies must be formally documented and reviewed and approved by the Business Manager or the Costs be reconciled to the general ledger (transportation, supplies, OT/PT, etc.), where appropriate. The tracking forms and related reconciliations and final amounts to be reported on the SEECG form must be reviewed and approved (from a financial perspective only) by the Business Manager or the Assistant Business Manager. 	2/9/2021	Complete	Paul Hendrickson
Done	Future TBOE projects and debt issuance will be formally approved by the Town.	<p>47. <u>ENERGY FINANCING AND UTILITIES – EFU-1 Recommendation</u> – We recommend that future projects be formally approved by the Town (capital project authorization). We also recommend that the related debt issuance also be formally approved by the Town in accordance with the Town charter.</p>	2/9/2021	Complete	Paul Hendrickson
Done	Redemption of Principal org & object and the Debt Interest org and object have been created in Munis.	<p>48. <u>ENERGY FINANCING AND UTILITIES – EFU-2 Recommendation</u> – We recommend that the capital projects be properly accounted for in a separate fund and that the activity be reported gross rather than net in the District budget.</p> <p>This will ensure compliance with generally accepted account principles and provide transparency in reporting financing activity.</p>	2/9/2021	Complete	Paul Hendrickson
Done	Redemption of Principal org & object and the Debt Interest org and object have been created in Munis.	<p>49. <u>ENERGY FINANCING AND UTILITIES – EFU-3 Recommendation</u> – We recommend that the District establish a budget line for debt service to properly identify the payments of all equipment financing notes. The budget line “improvements to site” should be for improvements financed from the operating budget.</p>	2/9/2021	Complete	Paul Hendrickson
Done	TBOE is following Town Charter regarding capital improvements and debt issuance.	<p>50. <u>EQUIPMENT FINANCING (TD BANK NOTES) – EFTD-1 Recommendation</u> – We recommend that future projects be formally approved by the Town (capital project authorization). We also recommend that the related debt issuance also be formally approved by the Town in accordance with the Town charter.</p>	2/9/2021	Complete	Paul Hendrickson
Done	Redemption of Principal org & object and the Debt Interest org and object have been created in Munis.	<p>51. <u>ENERGY FINANCING AND UTILITIES – EFTD-2 Recommendation</u> – We recommend that the capital projects and capital purchases be properly accounted for in a separate fund and that the activity be reported gross rather than net in the District budget.</p> <p>This will ensure compliance with general accepted account principles and provide transparency in reporting financing activity.</p>	2/9/2021	Complete	Paul Hendrickson
Done	Redemption of Principal org & object and the Debt Interest org and object have been created in Munis.	<p>52. <u>ENERGY FINANCING AND UTILITIES – EFTD-3 Recommendation</u> – We recommend that the District establish a budget line for debt service to properly identify the payments of all equipment financing notes. The budget line “improvement to site” should be for improvements financed from the operating budget.</p>	2/9/2021	Complete	Paul Hendrickson
Town	Town Recommendation	<p>53. <u>DEBT SERVICE SCHEDULE – DSS-1 Recommendation</u> – We recommend that the Town properly include the energy performance notes and loans and the equipment financing notes in the financial statements including the required footnote disclosures.</p>			Town
Done	TBOE has begun the transfer of funds from General Fund and will increase participation fees accordingly. TBOE should have all Special Revenue Financials with no deficit balances at EOY 6/30/2021.	<p>54. <u>SPECIAL REVENUE FUNDS ANALYSIS – SRF-1 Recommendation</u> – We recommend that the District properly monitor special revenue funds activity and limit expenditures charged to each program to the available balance. Any disbursements in excess of available fund should be charged to the education budget.</p>	6/8/2021	Complete	Paul Hendrickson Peg Brindisi
Done	TBOE has begun the transfer of funds from General Fund and will increase participation fees accordingly. TBOE should have all Special Revenue Financials with no deficit balances at EOY 6/30/21.	<p>55. <u>SPECIAL REVENUE FUNDS ANALYSIS – SRF-2 Recommendation</u> – We recommend that the District develop a plan to eliminate the deficits for the remaining special revenue funds.</p>	6/8/2021	Complete	Paul Hendrickson Peg Brindisi

Done	As of July 1, 2021 the Magnet and Open Choice Grants will be recorded in the 200 Grant Fund.	56. <u>SPECIAL REVENUE FUNDS ANALYSIS – SRF-3 Recommendation</u> – We recommend that the Open Choice program and the Magnet School Transportation grant be recorded in the Education Grant Fund. We also recommend that eligible expenditures be recorded in the grants funds to reduce the pressure on the education budget.	2/9/2021	Complete	Paul Hendrickson
Done	TBOE has begun the transfer of funds from General Fund and will increase participation fees accordingly. TBOE should have all Special Revenue Financials with no deficit balances at EOY 6/30/2021.	57. <u>SPECIAL REVENUE FUNDS ANALYSIS – SRF-4 Recommendation</u> – We recommend that the District review the current special revenue funds to determine the following: <ul style="list-style-type: none"> · Whether the program should be reported as a special revenue fund or general fund budget line. · Whether funds with positive balances that are not restricted for a particular purpose can be used to address the funds · Whether the fund should be recorded in another fund (THS funds). 	6/8/2021	Complete	Paul Hendrickson Peg Brindisi
Done	The allocated costs have been received by the Business Manager.	58. <u>SCHOOL LUNCH PROGRAM – CF-1?? Recommendation</u> – <i>This Recommendation was not numbered (page 65)</i> . We recommend that all costs allocated to the school lunch program fund be properly supported by actual costs or detailed calculations of any allocation of costs. Allocations should be supported by actual cost data and allocated using an appropriate base.	7/8/2021	Complete	Paul Hendrickson Peg Brindisi Betty
Done	There is no plan to charge the Lunch Account with any new expense allocation.	59. <u>SCHOOL LUNCH PROGRAM – CF-2?? Recommendation</u> – <i>This Recommendation was not numbered (page 65)</i> . We recommend that before charging expenditures to any fund that the fund be reviewed to determine if there are funds available.	6/8/2021	Complete	Paul Hendrickson Peg Brindisi Betty
Done	The 2021-22 budget was created with these talking points, as suggested by PKF, in mind. Many of these recommendations were implemented with the 2021-22 budget. Policies and procedures will be developed for Board consideration for the 2022-23 budget.	60. <u>BUDGET DEV, BUDGET TRANS, ACT EXP – BD-1 Recommendation</u> – We recommend that the District implement formal policies and procedures with respect to the budget development process. The policies and procedures should address the requirements for the following areas: <ul style="list-style-type: none"> · Format · Supporting documentation for each significant budget line or category or department. This should include the nature and · Department responsibilities for preparation and retention of data provided. · Retention, storage and protection of budget data. · Requirement to review at a minimum of 3 years of prior year actual expended amounts and require justification for · Documentation of budget methodology for each type of expenditure that there is no detailed support. 	3/4/2021	Complete	Paul Hendrickson
In Progress	Contacted Tyler Technologies and received a proposal for training on the Position Control module. 4/1 - The first Position Control training session was held. A full day of training is scheduled for Monday, May 17th; District personnel data will be uploaded and tested. TBOE has requested Munis to implement Position Control with a 7/01/2021 start date. 9/30 - Phone conference set-up for 10/8 to discuss training schedule. A new HR Director was hired in January 2023, and the completion date for Position Control was reset to 10/31/2023.	61. <u>BUDGET DEV, BUDGET TRANS, ACT EXP – BD-2 Recommendation</u> – We recommend that the District develop policies and procedures to manage changes to the salary budget object. The procedures should include the process for identification, communication and proper recording of salary changes. Salary changes for new hires and terminations should be recorded as budget adjustments so that new hire decisions can be made based upon and updated budget and available resources. We also recommend that the policy specifically address the process, authority and reporting requirements for the use of the reserve for reallocation budget line (salary contingency).	9/30/2021	10/31/2023	Paul Hendrickson Joe Chella
In Progress	Contacted Tyler Technologies and received a proposal for training on the Position Control module. 4/1 - The first Position Control training session was held. A full day of training is scheduled for Monday, May 17th; District personnel data will be uploaded and tested. 9/30 - Phone conference set-up for 10/8 to discuss training schedule. A new HR Director was hired in January 2023, and the completion date for Position Control was reset to 10/31/2023.	62. <u>BUDGET DEV, BUDGET TRANS, ACT EXP – BD-3 Recommendation</u> – We recommend that all District employees be included in the salary budget development worksheet. This will ensure all employees are accounted for in the budgeting process. Employees charged to other funds should be identified and total by fund/program/grant that they will be charged to. This will also provide data necessary to evaluate whether the fund/program/grant has the resources to fund the salary or if the education budget may have to pay for some of the cost.	9/30/2021	10/31/2023	Paul Hendrickson Joe Chella
Done	Transfers will be made at the appropriate time to ensure that no account finish the year in a deficit position.	63. <u>BUDGET DEV, BUDGET TRANS, ACT EXP – BD-4 Recommendation</u> – Per State Statutes, the Board of Education must approve transfers between objects. Therefore, it would be expected that the salary object would not be overspent at year end.	2/9/2021	Complete	Paul Hendrickson

		We recommend that the District and Board of Education comply with State Statutes in managing the education budget.			
Done	No explicit method shared; estimate based on last three years' actuals.	64. <u>BUDGET DEV, BUDGET TRANS, ACT EXP – BD-5 Recommendation</u> – We recommend that the District properly budget for payments of vested sick time for employees who retire. Normally, in order to be paid for any vested sick time, adequate notification to the District is required (normally one year's notice). We also recommend that the payouts for vested sick-time be budgeted for and accounted for in a separate account in order that it can be properly tracked and provide data for future budgets. We do not have any information regarding the impact of the COVID 19 pandemic on teacher and other retirements on the District's 2021 budget with respect to payouts for vested sick time.	2/9/2021	Complete	Paul Hendrickson
Done	Capital purchases and debt issuance will be recorded in the Capital Project Fund	65. <u>BUDGET DEV, BUDGET TRANS, ACT EXP – BD-6 Recommendation</u> – We recommend that the District properly record capital purchases and debt issuance gross as required by generally accepted accounting principles. This type of activity would be recorded in a capital project fund.	2/9/2021	Complete	Paul Hendrickson
Done	Adjustments have been made in monthly reporting and annual budgeting.	66. <u>BUDGET DEV, BUDGET TRANS, ACT EXP – BD-7 Recommendation</u> – We recommend that the District establish debt service accounts (principal and interest) to properly record debt activity. The improvements to site account should be used for non-maintenance related improvements to the District's property (if any) such as renovation to bathrooms or kitchens, etc.	2/9/2021	Complete	Paul Hendrickson
Done	TBOE is following Town purchasing policy.	67. <u>BUDGET DEV, BUDGET TRANS, ACT EXP – BD-8?? Recommendation</u> – <i>This Recommendation was not numbered (page 86)</i> . We recommend that the District implement procedures to ensure that purchases are made in accordance with the Town's purchasing policy.	2/9/2021	Complete	Paul Hendrickson
Not Followed	TBOE uses encumbrances to gauge the available balance in the General Fund. The PKF Recommendation works adversely to that process.	We also recommend that the District review the current policy in requiring all purchases to have purchase orders. Certain disbursements such as utilities, debt service, medical and dental payments by their nature and the fact that they are budgeted in separate accounts would not normally need a purchase order. Eliminating certain disbursements types from requiring purchase orders reduces unnecessary processes and increases efficiency. The policy should be revised to clearly identify the types of purchases that require purchase orders and those that are exempt. For purchases that are determined to be exempt from purchase orders, proper approval for payment processing should be documented.	3/4/2021	Complete	Business Office Staff
Done	No examples of miscoding were identified. We will continue to spot check to ensure compliance.	68. <u>BUDGET DEV, BUDGET TRANS, ACT EXP – BD-9?? Recommendation</u> – <i>This Recommendation was not numbered (page 87)</i> . We recommend that the District implement procedures and training to ensure that transactions are recorded to the proper For fiscal year 2020, the State Department of Education as part of the audit of the EFS Form is requiring auditors to test up to 140 transactions to determine if the transaction is recorded in the proper account.	6/8/2021	Complete	Paul Hendrickson