

## **District Corrective Action Plan for June 30, 2023 Annual Financial Audit**

The annual financial audit was conducted during the month of August 2023 and the annual financial report was accepted by the Board of Education on October 18, 2023. Below are the responses to the statements included in the Internal Control over Financial Reporting section of the Report to Those Charged with Governance.

### **School Lunch Fund**

Federal regulations in 7 CFR, Section 210.9b state that a school food authority shall limit its net cash resources to an amount that does not exceed three months average expenditures for its nonprofit school food service. Amounts exceeding this limit require the school food authority to take action to improve the nonprofit school food service (i.e. capital improvements). Our audit of the School Lunch Fund indicated that, based on 2022-23 expenditures, this limit would be \$537,255. The School Lunch Fund has a total assigned fund balance of \$835,861, which is in excess of this limitation by \$298,606.

### **Corrective Action Plan:**

The School District has submitted a plan to the NYS Office of Child Nutrition to reduce operating surplus during the 2023-24 school year. Initiatives include renovations to kitchen configuration, replacement of food service equipment, and free meal promotions for breakfast and lunch periodically throughout the year. In addition, the district has identified additional renovations at the Middle School cafeteria to contribute to more efficient student queuing and serving patterns. The Assistant Superintendent for Business and Treasurer will be responsible for implementation of corrective action. It is expected this corrective action will be completed by June 30, 2024.