

# **Chappaqua Central School District**

## **Review of the Process Connecting Human Resources and the Business Office**

**Covering the NYS mandate for the year ending June 30, 2015**

# Chappaqua Central School District

## Table of Contents

---

Cover Letter .....	1
Overview .....	2
Observations and Recommendations .....	3-5
Best Practice Procedure Review.....	6



## TOBIN & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS, PC

To the Board of Directors  
Chappaqua Central School District  
Chappaqua, New York

We have performed an intensive review of the process connecting human resources to the business office for the Chappaqua Central School District (the District). The purpose of this engagement is to ensure compliance with applicable New York State laws and regulations under the Fiscal Accountability Initiative for the fiscal year ended June 30, 2015.

Our report provides results of our review performed on the selected area. In addition, our report indicates any areas for which we believe improvements can be made to existing processes and internal controls.

We are pleased to have had the opportunity to serve you and look forward to reviewing this report in detail with you. We would also like to thank the Board of Education and the employees of the Chappaqua Central School District for their time and assistance during our engagement.

Sincerely,

*Tobin & Company*  
*Certified Public Accountants, PC*

Purchase, New York  
November 25, 2014

At the request of the Audit Committee of the Chappaqua Central School District ("the District") we have performed an intensive review of the process connecting human resources to the business office. Our review included, but was not limited, to the following procedures:

- 1) Interviews with key personnel involved in the human resources and payroll functions.
- 2) Reviewed and tested new employee set up process as well as the connection between human resources and the business office.
- 3) Reviewed and tested existing employee lane calculations.
- 4) Reviewed the procedures for tracking education credits.
- 5) Discussed the process for substitute teacher call in requests and tracking.
- 6) Reviewed and tested the annual salary rollover process.
- 7) Tested the transition of salary rollover to the payroll system.
- 8) Compared human resources and payroll procedures to two other area school districts.

Key personnel interviewed during our review process were as follows:

Assistant Superintendent for Business – *John Chow*

Assistant Superintendent for Human Resources – *Andrew Selesnick*

Human Resource Assistant (Certified) – *Jennifer Michel*

Payroll Clerk – *Margaret Ryan*

Payroll Clerk – *Suzanne Schriro*

Accountant - *Alex Djordjevic*

Business Office Assistant (Non-Certified)- *Liisa Elsner*

Overall, we found the District to have good policies and procedures in its area of Human Resources and the Business Office (payroll and accounting). We noted internal control steps towards independent reviews and double checks. The District utilizes Finance Manager and My Learning Plan software to automate some areas, but does not fully take advantage of its full capabilities. Our review did not note any significant weaknesses; however the lack of automation could lead to manual errors in the future. Our observations, as well as our recommendations are detailed in the body of this report.

### **HUMAN RESOURCES**

The Assistant Superintendent for Human Resources begins the hiring process with job postings followed by interviews. Once a candidate is chosen, the Assistant Superintendent for Human Resources completes the salary acceptance sheet. Once this process is complete the Human Resource Assistant will create the board agenda. After Board approval, the employee and salary are added into Finance Manager.

Annually, the Human Resource Assistant manually calculates the actual salary schedule based on the tables included in the contract. The upcoming year salary has to be manually altered to reflect additional items such as master's degree and doctorate degree add-ons, as well as the contracted increase each year. Once complete, the District's Accountant adds to Finance Manager's Negotiation Manager.

**Observation:** Due to the new Teacher contract, the HR Assistant currently performs a cumbersome, manual calculation to the salary table in order to adjust the contract table to account for the fixed dollar per year increase. In the past, union contract salary increases were recognized as a % change, as opposed to a stated dollar amount.

**Recommendation:** The HR Assistant should create appropriate salary tables which, take into consideration all possible salary increases. This will make it easy to prepare accurate salary change sheets for the payroll department. Finance Manager's "Negotiation Manager" can be set up to have this process completed and uploaded directly into Finance Manager.

Separate from the new hire function, The Human Resource Assistant also tracks teacher's course requests and education credits manually, and retains a cumulative, handwritten chart in the employee file. The Assistant Superintendent for Human Resources will sign off for approval of all courses.

- We tested all teachers' manual calculations from the 2013/2014 salary sheet to make sure they were correctly entered in the 2014/2015 salary sheet, with no exceptions noted.
- We tested a sample of 27 Teachers lane changes and compared to the contracted salary table plus additional add-ons and stipends which makes this the new annual salary, with no exceptions noted.



### Human Resources - Continued

**Observation:** The District uses My Learning Plan software for teachers to register for in-service credits etc. but does not utilize it to its full capabilities.

**Recommendation:** My Learning Plan has the capability to track teacher's additional credits and submit new credits for approval for all courses. The District should consider taking advantage of this automation in an attempt to move away from manual, hand written lists in each employees personnel file.

The Accountant compares Negotiation Manager figures to the "adjusted" table created in Microsoft Access (not a calculating program) by the HR Assistant. The Payroll Clerks will move all employees, in groups, from Negotiation Manager to Payroll module. At this point all employee salaries are updated in Finance Manager.

**Observation:** The District Accountant compares the HR Assistant salary table calculation spreadsheet to Negotiation Manager. However, he does not print and sign off in agreement of calculations. After his reviews, the Payroll Clerks transfer all employees from Negotiation Manager to the Payroll module.

**Recommendation:** When comparing salary table calculations with Negotiation Manager, the Accountant should print and sign off on the new table amounts and return to Human Resources for their records. Also, the Payroll Clerk's should review the new payroll module salaries to what was inputted in Negotiation Manager to be sure that nothing changed since the last review and approval.

**Observation:** Finance Manager has a seniority list feature which lists all employees and their start dates/service time, however, this feature is not used to its full capabilities.

**Recommendation:** The Finance Manager HR module should be updated and all functions including fields for start date, leaves of absences etc. should be completed. The use of this seniority list will enable reports to be printed at any time with an accurate seniority list.

The District uses a Teacher's Assistant as a dedicated "Sub Caller". The Sub Caller maintains a list of substitute teachers, and each night updates the list and calls in needed substitutes for the following day. This manual tracking and calling log will then go to payroll to be compared with the attendance sheets for payment to Substitute Teachers.

**Observation:** The process for calling in substitute teachers is currently a manual process. The manual tracking goes to payroll in order to pay the substitutes who worked.

**Recommendation:** An automated substitute and attendance system such as Sub finder or Aesop may streamline the Districts attendance and Substitute teacher call in procedure and assist in the export into Finance Manager. These common programs should be reviewed to determine the benefit to the Districts processes.

### PAYROLL

The Payroll Department consists of two clerks. One is responsible for attendance, as well as exception payrolls for curriculum, special education, coaches, and Buildings and Grounds, while the other is responsible for Teachers, Teacher Aids, Assistant Teachers, and Admin personnel.

**Observation:** Payroll Clerks use batch totals to check their own input, however, there is no cross checking between payroll clerks on each other's input.

**Recommendation:** Payroll Clerks should perform a random spot check of each other's work, which would help catch any errors in input and avoid mistakes.

The information required to process the payroll comes from different responsible parties for classified employees, non classified employees, special education, Buildings and Grounds and coaches.

**Observation:** Coaches stipends are calculated by the Athletic Director, based on teacher contracts and submitted by memo to pay half of the Board approved stipend. Board minutes are properly checked; however the 50% payments are manually calculated with no secondary review.

**Recommendation:** The coach stipends should be set up in Excel at the beginning of the year with the 50% payments broken out. This would help the clerk check her math as well as serve as documentation for someone to review and sign off.

The Buildings and Grounds department is now using "Timepiece", a biometric time system of clocking in and out. This system integrates with payroll and eliminates a lot of the time sheet entry. The Buildings and Grounds Director approves and the time gets uploaded by the payroll Clerks into Finance Manager.

**Observation:** Buildings and Grounds implemented Time Piece software to track time in their department. This is a good additional control and time saver, however, Buildings and Grounds Head Custodians consistently forget to adjust 30 minutes for lunch, which forces both payroll clerks have to review and correct.

**Recommendation:** While Time Piece is a great tool, it should be reiterated to Buildings and Grounds Head Custodians that in order for the time to be accurate, all adjustments should be made before it gets imported into payroll to prevent Payroll Clerks from having to consistently make corrections.

Annual salary table changes are imported from Negotiations Manager after the process is completed. In addition, Payroll Clerks are responsible for double checking full time equivalent (FTE) percentages.

- We chose a sample of 70 employees and traced the "adjusted salaries" to the actual annual salaries that were rolled into Finance Managers payroll module with no exceptions noted.
- The District currently has three employees who have FTE calculations, all of which work 25 out of 35 hours, or 71% of the contract amount. We tested these employees' calculations and all were correct.

# Chappaqua Central School District

## Best Practice Procedure Review

### Comparison to other Districts

	Chappaqua	District B	District L
Number of students in the District	4,009	4,470	6,300
Pay rates entered by	Payroll	Payroll	Payroll
New employees set up by	HR(certified), BO(non certified)	HR	HR for basic info
Salary Advancement Tracked by	HR	HR	HR
HR Department Staff	2.6	3 (one resigning)	5
District uses Aesop or Subfinder	NA	subfinder	Aesop
Who tracks longevity for district employees	HR	HR	HR
Who posts new job openings	HR(certified),BO(non certified)	HR	HR
Who sends employees annual salary re-caps	HR(certified),BO(non certified)	HR, now business office	business office
Annual Salary rollovers calculated by	Manually	Negotiation Manager	Negotiation Manager
Credits and Courses Tracked in	Manually	Mylearningplan	Mylearningplan
Payroll input and changes Cross checked	No	yes	yes