

# **CALEDONIA-MUMFORD CSD CORRECTIVE ACTION PLAN FOR THE YEAR ENDED JUNE 30, 2023**

The Caledonia-Mumford Central School District has developed a Corrective Action Plan for the control deficiencies outlined in its Management Letter for the year ended June 30, 2023.

## **School Lunch Procedures:**

During the course of our examination, we noted that adults are occasionally allowed to charge meals from the school lunch operations, although this practice is specifically prohibited in the District's policy.

### ***District Response:***

*The District will continue to allow adults to charge meals. However, the Business Administrator in conjunction with the Director of Food Service will monitor these negative balances and send emails to employees throughout the year. In addition, adult meal charging will not be allowed after June 1 in order to get negative balances paid off before year-end. These changes have been in effect since September of 2021.*

## **School Lunch Fund:**

During the course of our examination, we noted that the fund balance in the School Lunch Fund at June 30, 2023 totaled \$180,604. This balance appears to be in excess of the three months average expenditures level recommended by Federal Regulation #7 CFR Part 210.14(b) in the amount of \$21,851.

We recommend the District continue to develop the corrective action necessary for compliance with the Federal Regulation.

### ***District Response:***

*This large operating surplus was due to the National Pandemic and the Federal Government deeming that every student will receive a free breakfast and lunch during 2021-22. In 2022-2023, the Federal Government stopped this program and the District did not have an operating surplus. However, fund balance did increase due to an increase in year-end inventory. The Business Administrator will monitor funding levels to keep the Food Service Department's Fund Balance under the three months of operating expenses.*

## **Encumbrances:**

During our examination, we noted that the District has encumbered funds from 2022-23 for unanticipated costs associated with a high cost student for the 2023-24 fiscal year.

We recommend the District work to ensure that funds encumbered at year end only relate to purchases that have been made related to the current year, but have not been received.

***District Response:***

*This encumbrance was due to a high cost student that started at the beginning of the 2022-23 school year in a different school. Laws starting in 2020 changed and Districts are responsible for maintenance charges at a rate of 58.85%. This was not accounted for since it was the first time the District encountered an out-of-state placement. This will be rectified and budgeted for during the next budget process.*

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