Corrective Action Plan for External Audit

For each deficiency cited by Lumsden McCormick LLP, the District's external auditor, in the District's management letter dated September 27, 2021, the following corrective actions are proposed:

1. **Repair Reserve**

   Auditor Recommendation: Pursuant to GML §6-d, voter approval is required to fund the repair reserve and expenditures from this reserve may be made only after a public hearing has been held requiring 2/3 majority vote of the Board of Education, except in emergency situations. If spending is subject to an emergency, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years.
   Under Open Meetings Law, when holding a public hearing, legal notice of the hearing should be published and accessible to the general public of the District for a period no less than three days prior to the hearing. The notice should include the date, time, and place of the hearing as well as a brief statement of its purpose. The notice should be published in the official newspaper, if there is one, or in a newspaper having general circulation within the District. A public notice should be posted on the official bulletin board or signboard, and in other places as required by law. It is advisable that the clerk file an affidavit of publication after publishing the notice, in order to prove that the request for publication was made. The news media should be notified, and special notice should be given to individuals and governmental bodies as may be specially required

   Plan of Action: In the future we make sure to publish the use of repair reserve in a local paper and file an affidavit of publication

   Implementation date: Effective immediately, or upon the next emergency requiring use of repair reserves.

   Person(s) Responsible for Implementation: Assistant Superintendent of Administrative Services and District Clerk

2. **Capital assets**

   Auditor Recommendation: in 2017 the capital asset detail was not in agreement with prior year due to a change in vendors and methodologies.

   Plan of Action: After multiple failed attempts to correct this with Industrial Appraisal, we will be changing vendors to CBIZ for the upcoming fiscal year based on the auditor's recommendation.

   Implementation date: Pricing and budgeting will begin in January of 2022, to be effective in the 2022-23 school year

   Person(s) Responsible for Implementation: Assistant Superintendent of Administrative Services and the Accounting Clerk responsible for inventory record keeping.

3. **Extra Classroom activities**

   Auditor Recommendation: Seven clubs were left open with no activity

Plan of Action: Most of these clubs had no activity due to the pandemic, moving into next year we will ensure that clubs who do not have activity are closed.
Implementation date: June 2022
Person(s) Responsible for Implementation: Assistant Superintendent of Administrative Services and the Extracurricular Activity Club Treasurer.

Auditor Recommendation: The total of all club balances for the high school extra-classroom activity funds summary of club accounts did not agree to the bank reconciliation as of June 30, 2021. We recommend that this be reconciled in future years.
Plan of Action: The extracurricular club activity treasurer will work with the accounts receivable clerk to reconcile outstanding balances. Moving forward the Extracurricular club treasurer will have monthly meetings with club advisors to reconcile each individual account. This was also an issue carried over from last year. Due to the Pandemic many of our clubs did not run. Those that did had modified or no outside activities or sales.
Implementation date: October 2021, and ongoing
Person(s) Responsible for Implementation: Assistant Superintendent of Administrative Services, the Accounts Payable Clerk, and the Extracurricular Activity Club Treasurer.

Auditor Recommendation: There were disbursements with inadequate supporting documentation and, for one of the clubs tested, student ledger balances were not maintained. Each club should maintain its own books and records in accordance with The Safeguarding, Accounting, and Auditing of Extra classroom Activity Funds policy manual produced by the State Education Department. Some disbursements and deposit receipts were not properly authorized by students and faculty advisors. We encourage the central treasurers to ensure that all necessary signatures are present.
Plan of Action: Training will be required of all club advisors as a condition of being appointed to a club. Training will also be provided to the extracurricular activity treasurer and the building principal.
Implementation date: November 2021
Person(s) Responsible for Implementation: Assistant Superintendent of Administrative Services

Auditor Recommendation: Each club must have a student treasurer who takes part in disbursing money.
Plan of Action: Clubs will be required to have a student treasurer
Implementation date: October 30, 2021
Person(s) Responsible for Implementation: Assistant Superintendent of Administrative Services, the Extracurricular Activity Club Treasurer