



MEDINA CENTRAL SCHOOL DISTRICT

DISTRICT OFFICE

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Marc P. Graff
Assistant Superintendent

Date: September 28, 2023

To: Medina Central School District Board of Education

From: Marc P. Graff, Assistant Superintendent

RE: YE 2023 Financial Audit – Corrective Action Plan

Current Year Deficiency in Internal Control:

Bidding/Quoting:

During the course of our examination, we noted one instance in which the District did not obtain formal bids for a purchase made in excess of the threshold of \$10,000 as stated in the District's procurement policy. We recommend the Administration review this situation for compliance with the District's procurement policy.

DISTRICT RESPONSE: The District notes this finding and has reviewed the purchase made. The purchase with this particular vendor was made for two schools in the district.. While each individual purchase order did not go over the threshold, the total did. The Assistant Superintendent will review our procurement policy with the entire administrative team and specifically address this type of situation.

COMPLETION DATE: October 2023 and will be an ongoing process.

Library Tax Collections:

During the course of our examination, we noted that there was a miscommunication with the Library regarding the amount of the levy for the Library. As a result, the District made the Library levy whole, and recognized a reduced amount of tax revenue. We recommend this situation be reviewed and the necessary procedures for the Library to notify the District of its tax levy be formalized and documented.

DISTRICT RESPONSE: The District notes this finding. A new process has been implemented to resolve this issue. The library Director is now providing a letter each year that states specifically how much tax revenue the District will collect for them each year. This letter is mailed to the Superintendent and emailed to the Assistant Superintendent and District Treasurer. After tax rates are calculated, the spreadsheet is sent to the library Director to confirm the amounts to be collected. This is done through email so there is documented agreement with the figures.

COMPLETION DATE: August 2023 and ongoing.

Summer School 4408 Program:

During the course of our examination, we noted that the District did not report all of its transportation costs for the 2021 Summer School program during the 2022 fiscal year. As a result, the District submitted additional costs during the current fiscal year. We recommend the District implement procedures to ensure transportation costs are reported in the applicable period.

DISTRICT RESPONSE: The District notes this finding and has made the following change to our process. At year end, the District will compare the expenses reported on the appropriation status report to the information provided to Ruffell Reimbursements, our STAC reporting service. The District will then reconcile to the expenses reported on the STAC website for reimbursement to ensure that transportation costs are reported in the applicable period.

COMPLETION DATE: July 2023 and ongoing.

Other Item:

Cyber Risk Management:

The AICPA Center for Audit Quality recently issued a cyber security risk management document discussing cyber threats that face both public and private entities. The District's IT personnel routinely assesses cyber risk as part of their normal operating procedures. The District should continue to document their cyber risk assessment process in writing which should include the risk assessment process, the frequency of the risk assessment, how findings are to be communicated to the appropriate level of management, and how the process will be monitored.

DISTRICT RESPONSE: Our IT personnel routinely assess our cyber risk through the processes outlined in the Medina Central School District Technology Disaster Recovery Plan. The District Data Protection Officer coordinates all of these activities, records findings and shares the data with administrative staff. Additionally, the District receives a data security scan and report as part of its cyber insurance policy.

COMPLETION DATE: September 1, 2023 and ongoing per the Disaster Recovery Plan