

***South Orangetown Central School District  
Internal Audit Report on  
Facilities Maintenance***

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Board of Education  
South Orangetown Central School District  
160 Van Wyck Road  
Blauvelt, NY 10913

We have completed our internal audit of the South Orangetown Central School District's (the "District") facilities maintenance process for the period July 1, 2023, through April 30, 2024.

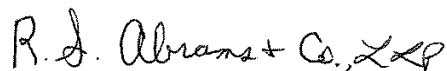
We are pleased to present the observations and recommendations from our internal audit of the District's facilities maintenance process. The audit was conducted to evaluate the efficiency, effectiveness, and compliance of the facilities maintenance process with relevant policies, procedures, and regulatory requirements, where applicable. Our audit objectives were designed to assess the control environment, internal controls, and risk management practices surrounding preventative maintenance, work orders, safety inspections and compliance, repairs and maintenance, emergency response plan, and training and skills development.

Our procedures were not designed to express an opinion on the internal controls related to the facilities maintenance procedures and process, and as such, we do not express such an opinion. Our audit of the District's facilities maintenance process identified areas of strength as well as opportunities for improvement. By implementing the recommended enhancements, the District can further enhance the efficiency and effectiveness of its facilities maintenance process.

We would like to acknowledge the courtesy and assistance extended to us by personnel of the District. We are available to discuss this report with the Board of Education (the "Board") or others within the District at your convenience.

This report is intended solely for the information and use of the Board, the Audit Committee, and the management of the District and is not intended to be and should not be used by anyone other than those specified parties.

Very truly yours,



May 8, 2024

**SOUTH ORANGETOWN CENTRAL SCHOOL DISTRICT**

**Internal Audit Report on Facilities Maintenance**

**For the Period July 1, 2023 – April 30, 2024**

**AUDIT SCOPE**

The goal of our internal audit is to review the internal control system to provide recommendations to the District to assist management in improving the procedures and process related to the District’s facilities maintenance. Our audit procedures were designed to review and identify areas for improvement in the procedures and processes of the District’s facilities maintenance. The procedures and results of the audit procedures performed are included in the following pages.

Our observations and recommendations are directed toward improvement of the system of facilities maintenance and should not be considered a criticism of, or reflection on, any employee of the District.

**OVERVIEW, PROCEDURES PERFORMED, OBSERVATIONS, AND RECOMMENDATIONS**

**AREA: PREVENTATIVE MAINTENANCE**

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Overview: The New York State Education Department, in line with industry practice, recommends that preventative maintenance schedules (inspections, repairs and maintenance tasks, general upkeep) be created and followed in order to maintain the functionality and service life of the District’s assets. By doing so, the District is able to prevent bigger and more expensive problems by finding and fixing smaller issues (i.e. proactive approach) before they have a chance to grow (i.e. reactive approach).

During the period under audit, the District has begun the process of transitioning work order management systems from SchoolDude to MasterLibrary – WorkOrders module to enhance the District’s planning of and documentation relating to preventative maintenance performed. This system is still in its developmental stage and the District believes the system will be fully operational by September 1, 2024. Our internal audit procedures and recommendations noted below reflect the current state of the system during its developmental stage.

Prior to the transition to the work order system, the District’s method of tracking preventative procedures to be performed was largely manual and not clearly documented in a manner that would allow for tracking of progress or ease of oversight by members of the District outside of the facilities department.

Relevant Board Policies Examined:

- Policy #7000, *Facilities Development Goals*
- Policy #7100, *Facilities Planning*
- Policy #8220, *Building and Grounds Maintenance and Inspection*

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Procedures Performed:

- Reviewed published Board policies to ensure the District’s preventative maintenance process is documented, conforms with District policies, as well as applicable regulatory requirements, and accurately reflects the current operations of the District.
- Interviewed with key District personnel to obtain an understanding of the preventative maintenance process.
- Reviewed the preventive maintenance web interface to ensure the system can:
  - Provide routine maintenance tasks, such as lubrication, cleaning, adjustments, and calibration, according to predefined schedules and specifications.
  - Conduct regular inspections of buildings, facilities, and equipment to identify potential maintenance needs, deficiencies, or safety concerns.
  - Maintain an up-to-date inventory of the District’s assets, including buildings, facilities, grounds, vehicles, and equipment.
  - Maintain detailed records of maintenance activities, inspections, work orders, and service histories for each asset.

Observation: Policy #7100, *Facilities Planning*, states the District will develop a comprehensive five-year capital facilities plan. Per policy, the District is required to update the plan annually. Currently, the District utilizes building surveys to determine the needs of its facilities and the survey is performed every five years.

Recommendation: We recommend the District develop a five-year capital plan that includes a yearly breakdown of the estimated expenses for construction, additions, alterations, major repairs, system replacement and repairs and maintenance and energy consumption as per District policy.

Observation: The preventative maintenance tasks listed in the work order system are developed internally by the facilities department. At times, the preventative maintenance procedures listed can be ambiguous and do not currently include guidance/regulations relating to the particular task or a history of documented issues relating to the task at hand that might aid the responsible individual in properly performing the preventative maintenance task.

Recommendation: We recommend the preventative maintenance module be more descriptive and include a step-by-step procedure list for each task. We also recommend the District utilize manuals, available guidance, and existing data sources within the system to compile the preventative maintenance tasks. The tasks should include, to the extent possible, a detailed listing of the particular assets being examined with each task so that clear documentation can be maintained about the history of each asset (purchase date, original cost, expected useful life, any past issues noted and/or corrected, listing associated costs incurred (labor and/or materials) to correct any issues to assist the purchasing department when making purchasing decisions/decisions to maintain an inventory of items on hand for repairs and maintenance).

Observation: The District’s new work order system contains a module for the District’s capital assets and inventory. At the time of testing, this module has not been updated.

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Recommendation: We recommend the District update this module to maintain of all the District's capital assets and inventory. As noted above, this listing should include information such as, but not limited to, the purchase date, original cost, expected useful life, location, and asset tag number, and other information that would aid the District in assessing the condition of District assets and assessing the quality of preventive maintenance being performed to extend the use lives of the assets.

Observation: Assets that are subject to annual inspections and certifications are not marked as high priority items in the system.

Recommendation: We recommend that assets subject to annual inspections and certifications be marked as high priority in order to ensure the timeliness of procedures performed.

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## **AREA: WORK ORDERS**

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Overview: At the time of testing, the District's work order process is as follows:

- a. A manual work order in the system is created by the head custodians or directors within the facilities department based on communications from staff members within the respective buildings.
- b. A work order is printed and given to a custodian to perform the task.
- c. Once performed, the custodian will return a copy of the printed work order to the head custodian or directors.
- d. The head custodian or director will perform a secondary review of the work performed and will close the work order within the system.

Relevant Board Policies Examined:

- Policy #7000, *Facilities Development Goals*
- Policy #7100, *Facilities Planning*
- Policy #8220, *Building and Grounds Maintenance and Inspection*

Procedures Performed:

- Reviewed published Board policies to ensure the District's work order system is documented, conforms with District policies, as well as applicable regulatory requirements, and accurately reflects the current operations of the District.
- Interviewed with key District personnel to obtain an understanding of the work order system.
- Reviewed the work order web interface to ensure the system can:
  - Generate work orders automatically or manually based on submitted maintenance requests, detailing the nature of the issue, location, priority level, and other relevant information required for task assignment and completion.
  - Assign work orders to appropriate maintenance staff, technicians, or contractors based on their skills, availability, and workload using predefined criteria, routing rules, or scheduling algorithms.

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- Track the status, progress, and completion of work orders in real-time through the work order system, providing visibility into pending tasks, assigned technicians, estimated completion times, and any delays or escalations.
- Document maintenance activities, labor hours, materials used, costs incurred, and other relevant information associated with work orders to maintain accurate records and generate reports for performance analysis, trend identification, and decision-making.

Observation: At the time of testing, work orders can only be generated by authorized individuals and not all employees within the facilities department or employees outside of the facilities department. The work order within the system can only be updated by these authorized individuals. There is currently no mechanism within the system by which employees outside of the facilities department can make requests or create a work order for tasks.

Recommendation: We recommend the District provide custodians with the necessary access to the work order system in order to leave notes and update the status of each work order within the system while performing the tasks. Additionally, we recommend that employees outside of the facilities department be provided with a means to report and request work orders. We recommend the use of a ticket system by which individuals can request a work order that is then sent to the facilities department in order to be processed, prioritized in line with the relative importance/sensitivity of the task, and then tracked in order to confirm completion of the requested task/work order.

Observation: Documentation surrounding completed work orders is not maintained in the system such that oversight and approval can be provided by and clearly documented by the respective supervisors in the facilities department and reviewed by individuals outside of the facilities department.

Recommendation: We recommend the District utilize the functionality of the system to maintain documentation of procedures performed in connection with work orders, including costs incurred (labor and/or materials) to satisfy work orders, time elapsed between the creation of the work order and the completion of the work order, and any commentary about the work order that might be useful for oversight by supervisors within and outside of the facilities department. By including this information within the system, it creates transparency for review, but also provides historical background on prior procedures performed for a respective area/asset such that the District can track the degradation of assets that might require further attention.

Observation: While the new work order system does allow for the prioritization of tasks (urgent, high, medium, and low), we noted the District does not have procedures in place to document status updates/reasons for delays on work orders that have been outstanding for an extended period. During our review of the work order system, we identified multiple work orders labeled as high priority that were outstanding for over 90 days.

Recommendation: We recommend the District develop an internal policy around the expected completion times for tasks of varying priority levels in order to create a system of accountability

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that can be tracked and reviewed by supervisors within and outside of the facilities department. The system should be transparent to both members of the facilities department as well as those outside of the facilities department, including those making the initial work order requests/ticket requests.

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**AREA: SAFETY INSPECTIONS AND COMPLIANCE**

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Relevant Board Policies Examined:

- Policy #7365, *Construction Safety*
- Policy #8110, *School Building Safety*

Procedures Performed:

- Reviewed published Board policies to ensure the District’s safety inspections and compliance process to ensure the process is documented, conforms with District policies, as well as applicable regulatory requirements, and accurately reflects the current operations of the District.
- Interviewed with key District personnel to obtain an understanding of the work order system process.
- Obtained copies of Certificates of Occupancy for all District owned buildings to ensure certificates were retained and are not expired.
- Reviewed fire safety inspection reports to ensure the inspection was performed during the fiscal year and verified all buildings passed inspection.

Observation: The District does not retain documentation evidencing for the following:

- Regular scheduling and completion of internal safety inspections.
- Identification and documentation of safety hazards.
- Documentation surrounding resolution of the identified hazards.

Recommendation: Within the new work order system that is currently in development, the system has a preventative maintenance feature which can automatically create and assign work orders. We recommend the District include inspections of facilities/assets are part of a preventative maintenance procedure. We recommend the District include a step-by-step guide of reviewing windows, roofs, floors, HVAC systems, etc. and include documentation such as notes and photographs of the walkthrough. The District should also upload any certifications received for all assets.

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**AREA: REPAIRS AND MAINTENANCE**

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Overview: The District defines assets as non-consumables assets with a normal service life of more than two years following the date of acquisition and exceeds \$5,000. These thresholds are applied to individual capital assets rather than groups of capital assets.

Relevant Board Policies Examined:

- Policy #6691, Capital Assets Accounting
- Policy #6691-R, Capital Assets Accounting

Procedures Performed:

- Reviewed published Board policies to ensure the District’s capital asset procedures is documented, conforms with District policies, as well as applicable regulatory requirements, and accurately reflects the current operations of the District.
- Interviewed with key District personnel to obtain an understanding of how the District differentiates capital expenditures from repairs and maintenance.
- Sampled ten expenditures during the year coded to a “400” code above \$5,000 to:
  - Determine if repair and maintenance costs above \$5,000 are capitalizable,
  - Verify capitalizable expenditure is recorded in the District assets or inventory records.
  - Ensure building improvement expenditures are not incorrectly recorded as repairs and maintenance.

Observation: No exceptions noted.

Recommendation: While we did not identify any issues with costs being improperly coded to repairs and maintenance codes as part of our procedures performed, we would recommend that the District continue to communicate with business office staff to ensure that items are appropriately coded between repairs and maintenance and equipment codes such that all capitalizable costs can be considered and identified per District policy when preparing capital asset schedules.

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**AREA: EMERGENCY RESPONSE PLAN**

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Relevant Board Policies Examined:

- Policy #7365, *Construction Safety*
- Policy #8110, *School Building Safety*
- Policy #8130, *School Safety Plans and Teams*

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#### Procedures Performed:

- Reviewed published Board policies to ensure the District's emergency response plan is documented, conforms with District policies, as well as applicable regulatory requirements, and accurately reflects the current operations of the District.
- Interviewed with key District personnel to obtain an understanding of the emergency response plan.
- Reviewed fire and lockdown drill records, noting drills were conducted in accordance with *Education Law*.
- Reviewed the District-Wide School Safety Plan for the required elements per Education Law §§ 807 and 2801-a and Commissioner's Regulation 155.17.
- We reviewed the District's most recent building condition survey for the required elements per Commissioner's Regulation 155.4.

Observation: No exceptions noted.

Recommendation: No recommendations noted.

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#### **AREA: TRAINING AND SKILLS DEVELOPMENT**

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#### Procedures Performed:

- Interviewed with key District personnel to obtain an understanding of the training and skills development process.

Observation: We noted the District does not have a comprehensive training program in place for employees within the buildings and grounds department. We noted the District does not provide onboarding training for new hires, does not provide formal training on how to use the work order system, and does not have a clear employee development process in order to ensure the continued training of its facilities employees.

Recommendation: We recommend the District along with management create an effective plan for buildings and grounds. An effective plan includes the following elements:

- Provide new hires with orientation sessions and onboarding programs to familiarize them with District policies, procedures, organizational structure, safety protocols, and job expectations.
- Offer technical training sessions on building systems, equipment operation, maintenance procedures, HVAC (heating, ventilation, and air conditioning) systems, plumbing, electrical systems, custodial practices, landscaping, and pest control.
- Conduct safety training programs covering topics such as hazardous materials handling, chemical safety, fire safety, emergency response procedures, personal protective equipment (PPE) usage, ladder safety, and equipment operation safety.

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- Provide training on regulatory requirements and compliance standards related to building codes, environmental regulations, ADA (Americans with Disabilities Act) accessibility standards, OSHA (Occupational Safety and Health Administration) regulations, and other relevant laws and regulations.
- Offer opportunities for professional development, continuing education, and certifications through workshops, seminars, conferences, online courses, and industry certifications relevant to facilities management and building maintenance.

The District should also retain documentation of training sessions held, training sessions materials (such as PowerPoints or outlines), attendees, and certifications. The District should be holding internal training sessions as well as attending conferences and seminars.

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**CORRECTIVE ACTION PLAN**

The District is required to prepare a corrective action plan in response to any findings contained in the internal audit reports. As per Commissioner's Regulations §170.12, a corrective action plan, which has been approved by the Board, should be submitted to the State Education Department within 90 days of the receipt of a final internal audit report.

The approved corrective action plan and a copy of the respective internal audit report should be submitted using the NYSED Business Portal.