

**To:** Audit Committee  
**Date:** November 28, 2022  
**Re:** Wheatland-Chili Central School District

## **Corrective Action Plan – 2021-22 262001**

District Response to External Auditors' Internal Control Related Matters issued by Raymond F. Wager, CPA, P.C.:

### Prior Year Deficiency Pending Corrective Action:

There were no prior year recommendations.

### Current Year Deficiencies in Internal Control:

#### Due To/Due From-

At the start of the audit the District's due to's and due from's did not balance which resulted in client provided journal entries in order for them to balance.

#### **1. Audit Recommendation:**

We recommend the District review due to's and due from's as well as interfund transfers on a monthly basis to ensure they are in balance at the end of each month.

#### **2. Implementation Plan of Action(s):**

The District Treasurer will maintain a monthly spreadsheet ensuring the due to's and due from's of all accounts are in balance.

#### **3. Implementation Date:**

The implementation will occur for the duration of the 2022-23 school year.

#### **4. Person Responsible for Implementation:**

The District Treasurer

### Other Items:

The following item is not considered to be a deficiency in internal control; however, we consider them other items which we would like to communicate to you as follows:

#### 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 will 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.

#### **1. Audit Recommendation:**

We recommend the District 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.

#### **2. Implementation Plan of Action(s):**

In part of the execution of Education Law 2-d, Districts are required to appoint a Data Protection Officer. Local School Districts have teamed up with the BOCES to participate in regional meetings focused on Cyber Risk Management. At these meetings they will collaborate to develop plans that minimize risk and protect the District's data against potential threats. Wheatland-Chili's Data Protection Officer was approved by the Board of Education on November 18, 2019.

#### **3. Implementation Date:**

The implementation will occur for the duration of the 2022-23 school year.

#### **4. Person responsible for Implementation:**

The Data Protection Officer and the Leadership Team are responsible for the implementation.

#### Federal Programs-

As a result of recent federal program changes, the District documents various Federal Program procedures through written questionnaires prepared by the Program Coordinators and the Business Office. Recent guidance from the New York State

Education Department suggests Federal recipients should enhance their written documentation into a written procedural manual that is more detailed and specific to each federal program compliance requirements.

**1. Audit Recommendation:**

We recommend the Business Office work with the Program Coordinators to enhance their correct procedures into a procedure manual that is consistent with the federal compliance requirements for their respective program.

**2. Implementation Plan of Action(s):**

Currently NYSASBO has developed a formal compliance manual documenting best practice in Federal Program procedures. It was recommended by our External Auditor that we use this for guidance as it has now become available. The Business Office, alongside the Program Coordinator, will use this document as guidance to develop written procedures for our Federal Programs.

**3. Implementation Date:**

The implementation will begin to occur in the 2022-23 school year.

**4. Person responsible for Implementation:**

The District Treasurer and Program Coordinators are responsible for this implementation.