

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

Extraclassroom 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 Deficiencies Pending Corrective Action:

Reconciliations-

1. Audit Recommendation:

Our examination revealed one instance in the TJC Bookstore, where there was no reconciliation of items sold to total cash collected prepared.

In an effort to improve internal accounting control, a reconciliation of items sold to total cash collected should be prepared for receipts submitted to the Central Treasurer for deposit.

2. Implementation Plan of Action(s):

The District Treasurer had a discussion with the Advisor for the Elementary Bookstore and worked together to create a spreadsheet to reconcile items sold to cash collected that would be turned in with each deposit.

3. Implementation Date:

The implementation will occur for the duration of the 2021-22 school year

4. Person Responsible for Implementation:

The Central Treasurer is responsible for the implementation.

Current Year Deficiencies in Internal Control:

Student Participation-

1. Audit Recommendation:

As part of our interview with the Class of 2023 Advisor, we noted the students are participating in cash collections, tally sheets and other activities, however, they are not involved in recording transactions.

In an effort to conform with New York State guidelines and to promote student involvement, we recommend that a separate set of books should be maintained by the Student Treasurer with the help of the Faculty Advisor. In addition, these books should be compared with those maintained by the Central Treasurer on a monthly basis.

2. Implementation Plan of Action(s):

Moving forward the Central Treasurer will discuss with the Advisors that student participation is the primary goal of all aspects of the extraclass clubs. The Central Treasurer will discuss with the Advisors of the Class of 2023 that they need to have the students fill out the general ledgers and the Advisors should check the work of the students. In October the district held the annual extra-class advisor training where there was a review of all the policies and procedures for extraclass advisors, which included the training regarding student participation. The district also held a make-up session in November for anyone who couldn't attend the first training.

3. Implementation Date:

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

4. Person Responsible for Implementation:

The Central Treasurer and Advisors are responsible for the implementation.

Deficit Balance-

1. Audit Recommendation:

As indicated on the statement of cash receipts and disbursements, the Yearbook Club had a deficit cash balance of \$251 at June 30, 2022.

We recommend the administration review this situation to determine the reasons for the excess of expense over revenue and to develop the corrective action necessary to eliminate this deficit.

2. Implementation Plan of Action(s):

Moving forward the Central Treasurer will be sure to maintain a monthly spreadsheet showing the receipts and expenses, to insure no expenses go over what is in the clubs account. The Central Treasurer will discuss with the Advisor of the HS Yearbook Club, that anticipated revenues should not be entered in to the general ledger until a check is

actually received. A separate log of anticipated revenues/receipts would be good to keep as well, just separate from the general ledger.

3. Implementation Date:

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

4. Person Responsible for Implementation:

The Central Treasurer is responsible for the implementation.

Other Item:

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

Inactive Clubs-

1. Audit Recommendation:

As indicated on the statement of cash receipts and disbursements, TJ Connor Student Council, MS Bookstore, MS Junior Honor Society, HS Ski Club, HS National Honor Society, HS FBLA Club, and HS S.A.D.D. were financially inactive during the 2021-22 fiscal year.

We recommend the status of these club be reviewed. If no future financial transactions are anticipated, they should be closed in accordance with the Board of Education policy.

2. Implementation Plan of Action(s):

All the clubs listed above intend to have financial activity in the future. The Covid-19 pandemic has continued to restrict many clubs from performing in their typical manor. The clubs have been trying to participate in as many events as possible while continuing to be safe.

3. Implementation Date:

We will monitor the clubs throughout the 2022-23 school year for activity and make a determination for the course of action at the end of the year.

4. Person responsible for Implementation:

The Central Treasurer is responsible for this implementation.

Prior –Year Recommendations:

We are pleased to report that the following prior year recommendations have been implemented to our satisfaction:

1. All receipts examined appeared to be deposited in a timely manner.