

SYOSSET CENTRAL SCHOOL DISTRICT



***Internal Audit Report
on
Risk Assessment Update
For the Fiscal Year Ending
June 30, 2020***

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Board of Education
Syosset Central School District
Syosset, NY 11791

We have completed our risk assessment update of the Syosset Central School District (the “District”) for the fiscal year ending June 30, 2020. The objectives of the engagement were to assist the Board of Education (the “Board”) in ensuring that the District’s risks are identified and that appropriate internal controls are in place to mitigate those risks.

In connection with the development of the risk assessment, we have performed the following procedures:

- Gained an understanding of the internal controls for the following key business processes:
 - Governance and Planning
 - Accounting and Reporting
 - Cash Receipts
 - Cash Management
 - Revenue and Billings
 - Grants
 - Payroll
 - Human Resources
 - Benefits
 - Purchasing and Related Expenditures
 - Facilities and Capital Projects
 - Capital Assets
 - Food Service Operations
 - Information Technology
 - Student Related Data and Services
 - Transportation Services
 - Student Services
- Identified the risks that could inhibit the District in achieving its goals;
- Identified the internal controls that the District has in place that are designated to mitigate identified risks; and

- Identified key areas where the District can strengthen existing internal controls and/or create additional internal controls.

The results of our procedures are presented on the following pages.

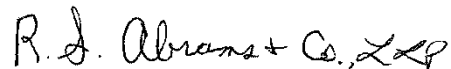
As noted, the purpose of our engagement was to assist you in improving the process by which you monitor and manage the risks that face your District. However, it is ultimately your responsibility to assess the adequacy of your risk management system.

In performing our engagement, we relied on the accuracy and reliability of information provided by District personnel. We have not audited, examined, or reviewed the information, and express no assurance on it.

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 or others within the District as 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,

A handwritten signature in black ink that reads "R.S. Abrams & Co., LLP". The signature is written in a cursive, flowing style.

R.S. Abrams & Co., LLP
January 8, 2021

**Syosset Central School District
Risk Assessment Update Report
For the Fiscal Year Ending June 30, 2020**

Executive Summary

This report serves to address the second requirement of Chapter 263 of the laws of New York, 2005, which requires all school districts to establish an internal audit function. The internal audit function requirement includes the engagement of a qualified audit firm or individual to make an initial assessment of risk surrounding the design of the District's internal controls, annual updates of the initial risk assessment, and testing of these controls on a periodic basis for operational effectiveness.

This risk assessment update is intended to provide management with information to enhance and strengthen the District's controls and to reduce the District's risk relating to its financial processing and reporting operations.

We determined the status for the current year's risk assessment update through various methods, including inquiry of appropriate District personnel involved in these processes, observation of the controls in place, results of internal control questionnaires related to the various business units and testing the controls where necessary to determine if they have been put in place and are functioning as intended.

Additionally, we have reviewed the results of reports issued by our firm during the period ending June 30, 2019 including a report on Medical and Dental Benefits and Retiree Health Insurance, to determine if relevant controls have been put in place based on those reports.

The risk assessment requires an internal auditor to obtain an understanding of the risks associated with the various business processes within the District. This requirement involved two categories of risk as follows:

- **Inherent Risk** - the risk associated with the nature and type of transactions processed due to complexity, materiality, and quantity of the transactions.
- **Control Risk** – the risk that the internal control system is not adequately designed to prevent or detect errors or irregularities on a timely basis that could be material individually or when aggregated with misstatement in other balances or account classes.

The risk areas have been identified and appropriate risk levels have been determined. The risk levels are defined as follows:

- **High Risk** – these are areas identified as posing the greatest potential risk for the school district and which carry the highest priority. Any outstanding items will be carried over and re-evaluated in the following year's risk assessment.
- **Moderate Risk** – these are areas identified as to be of second level priority and will be addressed after the high-risk items are completed. Any outstanding items will be carried over and re-evaluated in the following year's risk assessment.
- **Low Risk** – these areas are considered lowest priority and will be addressed after the high and moderate risk items are completed.

We have summarized our assessment of inherent risk and control risk for the current and prior year, as well as our testing plan, in our *Assessment of Risk and Testing Plan* (See Appendix A).

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Process Review Summary and Proposed Business Processes

The following represents the business processes where we have provided internal audit services and the business processes, we are proposing for period ending June 30, 2021:

Extensive System Reviews:

Fiscal Year Ending June 30, 2020:

- Student Safety and Performance Data

Fiscal Year Ending June 30, 2019:

- Benefits

Fiscal Year Ending June 30, 2018:

- Procurement and Claims Processing

Fiscal Year Ending June 30, 2017:

- Capital Assets

Fiscal Year Ending June 30, 2016:

- Extraclassroom

Fiscal Year Ending June 30, 2015:

- Human Resources

Fiscal Year Ending June 30, 2014:

- Governance and Planning

Fiscal Year Ending June 30, 2013:

- Cash Management

Fiscal Year Ending June 30, 2012:

- Transportation Operations
- Payroll Distribution

Fiscal Year Ending June 30, 2011:

- Information Technology
- Grants Administration

Fiscal Year Ending June 30, 2010:

- Medicaid Billing Compliance
- School Lunch Operations

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Extensive System Proposed:

Fiscal Year Ending June 30, 2021:

- Payroll

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Moderate Risk Items

Status of Prior Year

INFORMATION TECHNOLOGY

PERMISSIONS/ACCESS CONTROLS

Previous Control Risk Level: **Moderate (M)**

Prior Year Reason: During our prior year risk assessment update we noted as of June 30, 2019 the following:

- Based on our review of the *WinCap User Security Profile Report*, we noted four individuals that had the ability to initiate and issue their own purchase orders within the system. Although this practice was prohibited by District procedures, internal controls within the system could be strengthened by removing initiation permissions or implementing additional approval requirements when these individuals act as initiators. A review of activity for the four individuals in the 2018-2019 school year indicated only one requisition was initiated, and this requisition was approved by a different individual.
- The District does not require network passwords to be changed periodically to reduce the risks involved with unauthorized access.
- The District does not have a lockout policy in place for the network or AIS.
- We tested ten active user accounts noting one out of ten user accounts was not assigned to a specific individual and three out of ten accounts were associated with individuals who were no longer employed by the District.
- We noted eight user accounts in *WinCap* for which the date of last password change exceeded the 90-day threshold established by the District's AIS password policy.

Current Year Status: During our current year risk assessment update we noted as of June 30, 2020 the following:

- We noted thirteen user accounts in *WinCap* for which the date of last password change exceeded the 90-day threshold established by the District's AIS password policy.
- The District does not require network passwords to be changed periodically to reduce the risks involved with unauthorized access.
- The District does not have a lockout policy in place for the network or AIS.

However, we did note during the 2020-2021 school year, the District had begun to implement stricter rules requiring employees to change their passwords after 90-days or would be locked out of the network and accounting information system. We also noted the District had implemented a lockout policy for the network and accounting information system.

Although new rules were implemented in the 2020-2021 school year, as of June 30, 2020 we have maintained our assessment of control risk as moderate.

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Updated Control Risk Level: **Moderate (M)**

Moderate Risk Items

Current Year Review

STUDENT DATA REPORTING

STUDENT CLASSIFICATION

Control Risk Level: **Moderate (M)**

Reason for Risk Level: We have assessed the level of control risk as moderate for the District's student data reporting and classification processes based on two out of the fifteen students tested that were classified as new entrants during the 2019-2020 school year did not have valid proof of parental relationship on file.

Low Risk Items

Status of Prior Year

MEDICARE PART B REIMBURSEMENTS

Prior Year Finding: During our prior year internal audit report on Medical and Dental Benefits and Retiree Health Insurance as of June 30, 2019, we noted the following:

- One out of ten retirees selected for testing received a Medicare reimbursement for an amount in excess of the basic and income-related monthly adjustment amount (IRMAA) total on their social security 1099 form. The District could not provide support to justify the amount reimbursed.

Prior Year Recommendation: We recommended the District reimburse retirees for Medicare in accordance with Civil Service Law Section 167-A which requires reimbursement for the basic premium amounts and IRMAA.

Current Year Status: During our current year risk assessment update, we noted as of June 30, 2020 the District reimbursed retirees for Medicare in accordance with Civil Service Law Section 167-A. We also noted the District was reimbursed by retiree for the overpayment identified in the prior year cycle report.

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As such, we have updated our assessment of control risk to low.

Updated Control Risk Level: **Low (L)**

INFORMATION TECHNOLOGY

DISASTER RECOVERY

Previous Control Risk Level: **Moderate (M)**

Prior Year Reason: During our prior year risk assessment update we noted as of June 30, 2019 the following:

- The District has not adopted a formal Disaster Recovery Plan. The District expects to have a completed Disaster Recovery Plan ready for implementation by the start of the 2020-2021 school year.
- The District has not verified the integrity of the accounting information system (AIS) backup performed by the vendor.

Current Year Status: During our current year risk assessment update we noted as of June 30, 2020 the following:

- The District has adopted a formal Disaster Recovery Plan that was implemented in the 2020-2021 school year.
- The District has verified the integrity of the accounting information system (AIS) backup performed by the vendor.

As such, we have updated our assessment of control risk to low.

Updated Control Risk Level: **Low (L)**

Low Risk Items

Current Year Review

GOVERNANCE AND PLANNING

GOVERNANCE AND CONTROL ENVIROMENT

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the level of control risk as low for the District's governance and control environment processes based on the following reasons:

- The Board of Education receives monthly revenue and appropriation status reports for all funds as required by Commissioner's Regulation §170.2. Currently, the Board of Education reviews the revenue and appropriation status reports for the general fund on a monthly basis.

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Trial balances for all funds are prepared and maintained by the business office monthly and are provided to the Board of Education on a monthly basis.

- The Board of Education receives monthly treasurer's reports and warrants for all the District's funds as well as quarterly extraclassroom activity fund reports.
- Fund balance projections are prepared during the budget development process to adequately determine the appropriate funding of reserves and assigned fund balance at year end. The Board of Education receives periodic fund balance projections.
- The District has adopted policy *Code of Conduct*, which addresses many of the required elements.
- The District has adopted policy No. 2160, *School District Officer and Employee Code of Ethics*, which is in force for all District employees, which demonstrates the Board's commitment to cascading an ethical environment within the District and complies with General Municipal Law §806.
- An Audit Committee has been appointed in accordance with Chapter 263 of the Laws of 2005 and a related audit committee charter has been developed and adopted by the Board of Education policy No. 6010 *Fiscal Controls*.
- The Board of Education has received the required training in accordance with Chapter 263 of the Laws of New York 2005 adopted by policy No. 2521 *School Board Conferences, Conventions, Workshops*.
- The District makes all Board of Education policies available to employees on the District's website. Further, by publishing the policies on the District's website, the Board ensures transparency to the residents of the District.

BUDGET DEVELOPMENT ADMINISTRATION

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the level of control risk as low for the District's budget administration processes based on the following reasons:

- The District has adopted budget policies that include policies surrounding the District's budget development and preparation procedures and budget administration.
- All of the District's budget information is posted on the District's website for easy access to the District's residents.
- The District mass encumbers all known obligations, including such items as BOCES obligations and salaries at the beginning of the fiscal year, which is an important aspect of proper budgetary controls to allow management to arrive at a reasonably accurate estimate of uncommitted appropriations at year end.
- The District's accounting information system has controls in place whereby encumbrances cannot be placed in excess of budgeted amounts.

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BUDGET TRANSFERS

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the level of control risk as low for the District's budget transfers processes based on the following reasons:

- The District has adopted policy No. 6150, *Budget Transfers*, which authorizes the Superintendent and/or his/her designee to make budget transfers between line item accounts. Transfers between function codes may not be made without prior approval of the Board of Education.
- The individual who processes the budget transfers in the accounting information system is independent of the accounts payable function, thus a proper segregation of duties in the budget transfer process.
- The District has proper controls in place surrounding budget transfers; including proper authorizations, segregation of duties between the initiation, authorization and recording of budget transfers.

OPEN MEETINGS LAW

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the level of control risk as low for the District's open meetings law processes based on the following reasons:

- The District adopted policy No. 2400, *Board of Education Meetings – Types, Agendas, Procedures and Minutes*, stating Board meetings are open to the public so that people can witness and observe the decision-making process.
- The District's website includes links to the Board agendas, Board minutes, and a live video stream of the Board of Education meeting.

GRANTS

GENERAL PROCESSING AND MONITORING

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the level of control risk as low for the District's grant processing and monitoring procedures based on the following reasons:

- The District properly files FS-25 forms requesting funds during the course of the project to ensure sufficient cash flow exists for the grant period. Additionally, this reduces cash flow constraints on the District's general fund.

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- The District has adopted a policy for providing academic intervention services, including a description of which student performance measures and associated scores will be utilized to determine eligibility, as required by Commissioner's Regulations § 100.2.
- The District has procedures in place to ensure that the final expenditure reports agree to the District's general ledger and accounting information system.
- The Board has adopted policy No. 6700, *Purchasing Regulation* which states the school district will comply with the Uniform Guidance procurement rules issued by the United States Office of Management and Budget, as required by the Uniform Guidance.
- The District has adopted legally required Board policies related to: Title I parent and family engagement, equivalence in instructional staff and materials, programs for students with disabilities under IDEA and Article 89, provision of special education services in the least restrictive environment, schoolwide pre-referral approaches and interventions, confidentiality and access to IEPs, IESPs and SPs, availability of alternative format instructional materials, assessments of students with disabilities, impartial hearing officers, declassification of students with disabilities, public report on revisions to District policies, practices and procedures upon a finding of significant disproportionality, preschool students with disabilities, and special education personnel, qualifications and training.

However, during our review of grant fund allocations, actual expenditures, and amounts carried over, we noted the following:

- The District's Title III ELL grant and IDEA 611 grant carryover represents more than 25% of its current year allocation.
- The District's Title III ELL grant spent less than 85% of its current year allocation

We understand that due to the time constraints caused by the COVID-19 pandemic, the District could not fully utilize grant monies received. We did note that the District had budgeted the 2019-2020 excess to be used in the 2020-2021 fiscal year.

Based on the above factors, this alone does not warrant the level of risk to be raised above low.

ALLOWABLE COSTS AND COMPLIANCE

Control Risk Level: Low (L)

Reason for Risk Level: We have assessed the level of control risk for the District's grant allowable costs and compliance processes as low based on the following reasons:

- The District ensures that proper documentation is maintained for employees whose salaries are charged to grants.
- The District requires that payroll certifications be prepared for employees that are charged to the District's grants, in accordance with federal requirements.
- The District's external auditors perform a "single audit" as required under federal guidelines to test allowable costs and compliance.
- The District requires written contracts with the approved special education programs (ASEPs) which provides for a vendor relationship between the District and the ASEP.

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- The District requires that ASEPs provide the District with an expense report at year-end which is reviewed by the grant administrator.
- There is a proper level of review and approvals in place to verify that the expenditures for the grants are allowable and are in compliance with grant agreements.

PAYROLL

PAYROLL DISTRIBUTION

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the level of control risk as low for the District's payroll distribution processes based on the following reasons:

- The Payroll Supervisor and the Assistant Payroll Supervisor review the electronic direct deposit file for accuracy prior to submitting it to the bank for processing.
- The District does not have any employees who receive a physical paper check. All employees are currently enrolled in direct deposit.

PAYROLL ACCOUNTING AND REPORTING

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the level of control risk as low for the District's payroll accounting and reporting processes based on the following reasons:

- There is proper segregation of duties between entering employees' annual salary and pay rate into the accounting information system, and the processing of payroll.
- At the beginning of each fiscal year, the Executive Director of Personnel updates the annual salary tables in the accounting information system, and the personnel clerk performs the annual salary rollover. The Payroll Supervisor and the Assistant Payroll Supervisor verify the newly implemented salaries are correct prior to processing the first contractual payroll.
- The District requires employees to submit timesheets for all non-contractual payments, when applicable. The timesheets must be reviewed and approved by the employee's supervisor/administrator prior to payment being issued.
- The District requires all non-emergency overtime to be preapproved by the employee's supervisor/administrator. All overtime timesheets are required to include a reason for the overtime.
- The District utilizes separate account codes for overtime to facilitate the analysis of overtime spending.
- The Payroll Supervisor and the Assistant Payroll Supervisor review the payroll including all supporting documentation prior to the posting of payroll.
- The Payroll Supervisor and the Assistant Payroll Supervisor verify the accuracy of the contractual payroll every pay period.

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- The Board of Education has appointed the Assistant Superintendent for Business as the official payroll certification officer.

TAX FILING AND RECONCILIATION PROCESS

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the control risk for the District's tax filing and reconciliation processes as low based on the following reasons:

- The quarterly IRS Forms 941 are prepared by the Assistant Payroll Supervisor and Payroll Supervisor, and reviewed by the Treasurer prior to submission.
- The District reconciles the IRS Forms 941 to the District's expenditure ledger on an annual basis.
- All required tax filings are performed in a timely manner.
- The IRS Forms W-2 are prepared by the Assistant Payroll Supervisor, and are reviewed by the Payroll Supervisor prior to distribution.

FACILITIES AND CAPITAL PROJECTS
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FACILITIES MAINTENANCE

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the level of control risk for the facilities maintenance processing as low based on the following reasons:

- The District has adopted policy No. 8220, *Buildings and Grounds Maintenance and Inspection* that consist of broad provisions and guidelines that outline the Board of Education's priorities, responsibilities and expectations of the operations and maintenance program as recommended by the State Comptroller.
- The District utilizes an outside software as a service (SaaS) that generates preventative and routine maintenance work orders to ensure facilities are operating efficiently throughout the year.
- The District utilizes an outside architect to conduct the building surveys after every five years and an annual visual inspection to be in compliance with Commissioners Regulation §155.4.
- The District has a long-term plan regarding its educational facilities to be in compliance with Commissioners Regulation §155.1.
- All buildings with the District were issued certificates of occupancy from the New York State Education Department.

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CONSTRUCTION PLANNING AND MONITORING

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the control risk for the District's construction planning and monitoring processes as low based on the following reasons:

- On an annual basis, the architects, Executive Director, Assistant Superintendent for business and building principals evaluate their capital needs and determine if any new projects can be funded as part of the annual budget process.
- There are proper controls in place surrounding the monitoring of budgets for the District's capital projects, which include setting up and monitoring budgets by project in the District's accounting information system.
- The District has ongoing weekly capital project stakeholder meetings with architects/engineers, construction management firm and District Administration.
- Appropriate professionals are utilized in the District's facilities and capital construction projects to assist the District in the monitoring of construction projects.
- Available on the District's website is a construction project summary outlining each project by the following categories voter approval, architectural design and construction drawings, NYSED facilities planning approval, competitive bidding and contract award, project start and substantial completion.

FINAL BUILDING PROJECTS REPORTS

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the control risk for the District's final building projects reports processes as low based on the following reasons:

- The District's accounting software has the ability to track expenses by SED project number.
- The District receives a substantial completion form from the architect which signifies that the capital project is completed.
- The District Treasurer is responsible for reviewing and filing the *SA-139, Request for Building Project Data, FP-F1, Request for Revision of Financial Information and Final Building Projects Reports*.
- The Treasurer is aware of the deadlines for filing the *Final Building Project Reports*.

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EXTRA CLASSROOM ACTIVITY FUND

GENERAL CONTROLS

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the level of control risk as low for the District's extra classroom activity fund general controls based on the following reasons:

- The District's policy No. 5200, *Extra-Classroom Co-Curricular Activities*, states that all school activities and student organizations should be held before or after the regular school day, or at an appropriate time during class time only with the approval of the principal, and with the presence of a qualified advisor.
- The District's policy No. 5200, *Extra-Classroom Co-Curricular Activities*, states the rules and regulations governing the management of student activity funds will adhere to the procedures outlined in national charter provisions and State Education Department regulations.
- The District's policy No. 5200, *Extra-Classroom Co-Curricular Activities*, stating the Board recognizes the educational values inherent in student participation in the extracurricular life of the school, and supports the concept of the formation of student groups for such purposes as building sound social relationships, developing wholesome attitudes as well as knowledge and skills.
- Profit and loss statements are prepared and kept by the activity Treasurer for the District's extra classroom fundraising activities.
- The District maintains formal club charters for all extra classroom activity accounts that list, at a minimum, the name of the club and the names of the student officers and faculty club advisors.
- The Board of Education approves each club charter on an annual basis with approval of the club charters documented in the minutes of the Board of Education meeting.
- The extra classroom balances are reported on the Treasurer's report which is reviewed by the Board of Education on a monthly basis.
- The Board of Education reviews club activity reports on a quarterly basis.

CASH, CASH RECEIPTS AND DISBURSEMENTS

Control Risk Level: **Low (L)**

Reason for Risk Level: We have assessed the level of control risk as low for the District's extra classroom activities cash, cash receipts and disbursements processes based on the following reasons:

- New York State sales tax compliance is monitored and quarterly sales tax returns are filed by the extra classroom central treasurer in the business office.
- The District's extra classroom activity funds maintain sufficient documentation, such as photocopies of checks, to support cash receipts.
- Invoices and/or receipts are properly cancelled after payment to prevent potential duplicate payments.

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- The District's extra classroom activity fund bank accounts are reconciled on a monthly basis.
- Our testing revealed no instances of non-compliance with the District's procedures as outlined above.
- Cash receipts are generated from the District's accounting information system which numbers each receipt in sequential order.
- All supporting documentation is retained for all cash receipts and disbursements within the extra classroom activity funds.

**Syosset Central School District
Assessment of Risk and Testing Plan
For the Fiscal Year Ending June 30, 2020**

Legend

- Extensive system process review proposed
- ✓ Extensive system process review completed
- New processes evaluated
- * Control risk updated based on cycle report

H = High M = Moderate L = Low

BUSINESS PROCESSES & SUBPROCESSES	Inherent Risk		Control Risk		Audit Plan		
GOVERNANCE & PLANNING	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Governance and Control Environment	H	H	L	L		•	
Budget Development and Administration	H	H	L	L		•	
Budget Transfers	M	M	L	L		•	
ACCOUNTING & REPORTING	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Financial Accounting, Reporting Oversight	H	H	L	L	•		
Auditing	M	M	L	L	•		
Fund Balance Management	H	H	L	L	•		
Reserves and Fiscal Health	H	H	L	L	•		
CASH RECEIPTS	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Collection and Posting of Receipts	H	H	L	L			
CASH MANAGEMENT	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Cash and Investment Management	N/A	N/A	N/A	N/A			
Wire Transfers and Banking Controls	N/A	N/A	N/A	N/A			
Bank Reconciliations/Treasurer Reports	H	H	L	L			
Banking Security	H	H	L	L			
REVENUE & BILLINGS	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Tuition/Health Services	M	M	L	L	•		
GRANTS	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
General Processing and Monitoring	M	M	L	L		•	
Allowable Costs and Compliance	M	M	L	L		•	
PAYROLL	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Payroll Distribution	H	H	L	L		•	■
Payroll Accounting and Reporting	H	H	L	L		•	■
Tax Filings and Reconciliation Process	M	M	L	L		•	■
Separation Payments	H	H	L	L		•	■
HUMAN RESOURCES	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Employment Requisition and Hiring	M	M	L	L			
Employment Termination	M	M	L	L			
Employee Attendance	H	H	L	L			
BENEFITS	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Eligibility	M	M	L	L	✓		
Benefit Calculations	H	H	L	L	✓		
Retiree Health Insurance	H	H	M	L	✓		
PURCHASING & RELATED EXPENDITURES	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Purchasing Process and Purchase Order System	H	H	L	L			
Payment Processing	H	H	L	L			
Travel and Conferences	H	H	L	L			

**Syosset Central School District
Assessment of Risk and Testing Plan
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Legend

- Extensive system process review proposed
- ✓ Extensive system process review completed
- New processes evaluated
- * Control risk updated based on cycle report

H = High M = Moderate L = Low

BUSINESS PROCESSES & SUBPROCESSES	Inherent Risk		Control Risk		Audit Plan		
FACILITIES & CAPITAL PROJECTS	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Facilities Maintenance	H	H	L	L		•	
Construction Planning and Monitoring	M	M	L	L		•	
Final Building Project Reports	H	H	L	L		•	
CAPITAL ASSETS	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Acquisition, Disposal, and Capitalization Policy	H	H	L	L	•		
Inventory Tracking	H	H	L	L			
FOOD SERVICE OPERATIONS	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Federal and State Reimbursement	M	M	L	L	•		
Sales Cycle and System	H	H	L	L	•		
Inventory and Purchasing	M	M	L	L			
Eligibility Verification	M	M	L	L	•		
Vending Machines	N/A	N/A	N/A	N/A			
Fund Balance	M	M	L	L	•		
EXTRA CLASSROOM ACTIVITY FUND	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
General Controls	H	H	L	L		•	
Cash, Cash Receipts and Disbursements	H	H	L	L		•	
INFORMATION TECHNOLOGY	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Governance	M	M	L	L	•		
Network Security	H	H	L	L	•		
Financial Application Security	H	H	L	L	•		
Disaster Recovery	H	H	M	L	•		
Permissions/Access Controls	H	H	M	M	•		
STUDENT SAFETY AND STUDENT DATA REPORTING	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Student Attendance	H	H	L	L		✓	
Student Performance Data	H	H	L	M*		✓	
Student Security and Safety	H	H	L	L		✓	
TRANSPORTATION SERVICES	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
Student Transportation	M	M	L	L			
Transportation Contracts	L	L	L	L			
State Aid	H	H	L	L			
STUDENT SERVICES	6/30/2019	6/30/2020	6/30/2019	6/30/2020	2019	2020	2021
STAC	M	M	L	L	•		
Medicaid Compliance	H	H	M	L	•		