

DANSVILLE CENTRAL SCHOOL DISTRICT

***CORRECTIVE ACTION PLAN FOR
Annual Audit***

For Year Ended June 30, 2021

Prior Year Deficiencies Pending Corrective Action:

Bidding/Quoting –

During the course of our examination, we reviewed two transactions involving purchases of items from Amazon which amounted to more than \$1,000 in aggregate for which purchase orders were not used and it did not appear that other quotes were obtained. We recommend a continued effort be made to comply with Sections 103 and 104(b) of the General Municipal Law as well as following the District's procurement policy.

District Response –

The District will review our purchasing policy and regulations and make sure that all employees involved with purchasing are trained on the procedures. In addition, the District will review bidding procedures for teaching and office supplies and materials to ensure that the District is securing the lowest possible cost for acceptable items. The District will consider modifying policy and regulation language such that aggregate purchases for school and office supplies and materials in excess of \$1,000 are exempt. Estimated completion date 6/30/2022.

School Lunch Fund –

Our examination revealed that the fund balance in the School lunch Fund at June 30, 2021 totaled \$430,646. This balance appears to be in excess of the three-month average expenditures level recommended by Federal Regulation#7CFR Part 210.15 by the amount of \$215,938. We recommend the District continue to develop the corrective action necessary for compliance with the Federal Regulation.

District Response –

The District will reduce the Cafeteria Fund balance by reallocating excess funds to cover appropriate costs. Estimated completion date 6/30/2022.

Current Year Deficiencies in Internal Control:

Change Orders –

Our examination revealed that there does not appear to be a formal procedure in place for Board approval of capital project change orders. We recommend all change orders be approved by the Board of Education, or a policy establishing a threshold allowing the Superintendent to approved change orders, with a follow up communication to the Board be developed.

District Response –

The District will consider the development of a policy on capital project change orders and the Superintendent's authority to approve them. Estimated completion date 6/30/2022.

Payroll Processing –

As a result of turnover in the payroll department, we noted the salary notices did not get sent to District staff in a timely manner, which resulted in several unsigned salary notices identified during our testing. In addition, we noted two payrolls in which the payroll certification was not available for our review. We recommend every effort be made to send salary notices to staff in a timely manner to document their acknowledgement and confirmation of their annual salary. In addition, every effort should be made to certify payrolls in a timely manner.

District Response –

The District has made significant improvements, is now appropriately staffed in our human resources department, and is effectively sending payroll notices and certifying payroll in a timely manner. Completed 8/1/2021.

(Current Year Deficiencies in Internal Control) (Continued)

Other Items:

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

Cyber Risk Management –

The District's IT personnel routinely assesses cyber risk as part of their normal operating procedures. 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.

District Response –

The District is working with our BOCES Regional Information Center to address cyber-security. EduTech (our local RIC) is developing cyber-security risk assessments to be administered according to a multi-year schedule. This is a multi-year process.

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 requirement.

District Response –

The District's federal grants are administered by the Greater Southern Tier BOCES. The District will work with GST BOCES to review this recommendation and coordinate the planning of a handbook. Estimated completion date 6/30/2022.