

Final

GENEVA CITY SCHOOL DISTRICT INTEROFFICE MEMORANDUM

TO: LAWRENCE BO WRIGHT, SUPERINTENDENT OF SCHOOLS

FROM: MAUREEN LEE, INTERIM ASST. SUPT. OF BUSINESS AND FINANCE

SUBJECT: CORRECTIVE ACTION PLAN FOR 2020-21 EXTERNAL AUDIT

DATE: OCTOBER 4, 2023

We are in receipt of the Geneva City School District's Basic Financial Statements and Management Letter for the school year ended June 30, 2022, as prepared by Mengel Metzger & Barr & Co. CPA, PC. Please accept this as the Geneva City School District Audit Response and Corrective Action Plan.

1. Prior Year Deficiency – Bidding

It was noted that there were 2 instances for which purchases made did not have the required number of written quotations per the district's procurement policy.

Response:

- The purchasing agent for the district will monitor requisitions to ensure that the required number of quotations are attached before approving the document.

Date Completed – October 11, 2023

2. Prior Year Recommendation – Payroll

It was noted that there were seven instances of salaries notices for mid-year changes were not signed and returned by the employee.

Response:

- The Asst. Superintendent for Administrative Services is aware of this prior year recommendation. A procedure will be implemented so that they can perform the necessary tracking of these notifications for timely return.

Date of Completed – October 11, 2023

Prior Year Deficiency – School Lunch Fund:

Federal Regulation #7CFR 210.14 recommends the School Lunch Fund balance not to exceed three months of average expenditures. The school lunch program's fund balance exceeded this amount by \$327,345.

Response:

- The Director of Food Service is aware of this excess fund balance. We saw significant increases in paper products, milk, etc. but this was offset by the higher reimbursement rates and participation rates. The program has ordered a food delivery van that we should take delivery on in the current year. The district is required to submit a plan to Child Nutrition about how this fund balance will be utilized in the 23-24 school year.

Date Completed - October 10, 2023

Current Year Deficiency in Internal Control:

The Board of Education can amend the district budget for ordinary contingent expenditures during the year. However, we noted that the district increased their equipment budget totaling \$123,152. However, there was no clear indication that the board declared those increases as ordinary contingent expenditures.

Response:

- The district will ask the board to amend the budget in the future for additional equipment expenditures for ordinary contingent expenditures. Currently, there is a plan to ask the board for an amendment at their November 2023 meeting.

Date Completed - October 10, 2023