Glen Cove City School District

Risk Assessment Update Report

March 6, 2024

CULLEN & DANOWSKI, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Risk Assessment Update Report

To the Board of Education and Audit Committee
Glen Cove City School District
Glen Cove, New York

We have performed the annual risk assessment update of the Glen Cove City School District (District) as required by Chapter 263 of the Laws of New York, 2005 and as per our agreement of July 1, 2023.

This engagement is in accordance with auditing standards generally accepted in the United States of America and the applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have also considered the guidelines promulgated by the New York State Education Department in connection with such risk assessments.

Specifically, we performed the following:

- Developed an understanding of the critical business processes of the District.
- Identified the key risks based on our understanding of these business processes.
- Identified the stated controls that are currently in place to address those risks.

These procedures were accomplished by interviewing District management and accounting and other departmental personnel to determine the flow of accounting information and controls placed in operation. The scope of our engagement did not include testing the operating effectiveness of such controls.

Our procedures were not designed to express an opinion on the internal controls of the District, and we do not express such an opinion. Additionally, because of inherent limitations of any internal control, errors or fraud may occur and not be prevented or detected by internal controls. Also, projections of an evaluation of the accounting system and controls to future periods are subject to the risk that procedures may become inadequate because of changed conditions.

We would like to express our appreciation for the cooperation and assistance that we received from the District's administration and other employees during our audit, especially the Business Office personnel.

This report is intended solely for the use and information of the Board of Education, Audit Committee and the management of the District, and is not intended to be and should not be used by anyone other than these specified parties.

Cullen & Danowski, LLP
March 6, 2024

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Chapter 263 of the Laws of New York, 2005 requires most districts to create an internal audit function. The creation of this function requires districts to engage either a qualified audit firm or an individual to make an initial risk assessment of the design of the district's internal controls; annually update this assessment; and, periodically test these controls for operational effectiveness and efficiency. This report addresses the second requirement, which is an annual risk assessment update.

Internal controls are the checks and balances over the various processes or functions that comprise the operations of a district. One key element in any internal control system is the concept of **segregation of duties**. This concept ensures that one person cannot execute a transaction without at least one other individual checking his or her work. Of course, where segregation of duties is not feasible, the District can employ compensating controls to mitigate risk.

Nevertheless, there are some important concepts that should be understood when reviewing internal controls.

These concepts are:

- An internal control system is designed to provide reasonable but not absolute assurance in safeguarding the assets of the district.
- The concept of reasonable assurance recognizes that the cost of the internal control should not exceed the benefits derived.
- There are inherent limitations that should be recognized in considering the potential effectiveness of any internal control system, e.g., errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. More importantly, it is **collusion** that poses the greatest threat to any internal control system. If two employees collude in order to circumvent the controls set up by the District, they could perpetrate fraud.

The initial risk assessment requires the internal auditor to obtain an understanding of both the inherent and control risks associated with the various functions within the District. The risk assessment update requires the internal auditor to identify the changes in procedures, policies, personnel, and systems that may have an impact on these risks and possibly alter the initial risk assessment's level of control risk.

Control risk measures the adequacy of internal controls designed to mitigate the inherent risk within the process. In this engagement, we have assessed the control risk based on our interview process. The testing of the controls, which is performed during the detailed test work, could support the lowering of the initial control risk assessment associated with individual processes and sub-functions.

We have organized this report into the following two sections:

The first section is a risk assessment table. In this table, we identify the processes or functions that we have reviewed. This table includes our assessment of the control risk associated with each process. There are two control risk columns to reflect the prior year risk assessment level and the current year's risk assessment level based on the results of the risk assessment update as well as the detailed test work performed for selected processes. **Since the testing of controls has not been done for all processes, it is important to note that this table should not be viewed as the final assessment of the District's control environment.** The Risk Assessment Table also includes our suggestions for processes to be tested during the coming year. However, the decision of which processes to review in detail is made at the discretion of the Audit Committee.

The second section of this report consists of any changes from the prior year's risk assessment related to key policies, procedures and/or controls of the functions we reviewed. Also included in this section are any new recommendations and the status of any prior year recommendations (note that this text is in *italics*), for areas of potential improvement in the District's internal controls or operations. The status of prior year recommendations from the following reports was addressed in this year's risk assessment:

Report Type	***Issue Date***	***Area(s)***
Risk Assessment	February 8, 2023	District Operations
Detailed Testing	February 8, 2023	Financial Operations of Special Education

The changes and recommendations have been considered in the assessment of the level of control risk. Some of the recommendations may require a reassignment of duties and/or an addition to District personnel. However, any enhancement of controls should be done after a careful cost-benefit analysis.

Corrective Action Plan

Commissioner of Education Regulation (CR) §170.12(e)(4) requires that a corrective action plan (CAP), approved by the Board of Education, must be filed within 90 days of issuance with the New York State Education Department (NYSED).

The District should submit the CAP along with the respective Internal Audit Report via the NYSED Portal.

GLEN COVE CITY SCHOOL DISTRICT
Risk Assessment Table
March 6, 2024

(L=Low, M=Moderate, H=High)

Business Process Area	**Date of Detailed Testing***	**Control Risk**		**Proposed Detailed Testing**
		Prior Year	**Current Year**	
Governance and Planning				
Governance & Control Environment		M	M	
Budget Development, Administration, and Fund Balance Management		M	M	
Accounting and Reporting				
Financial Accounting and Reporting		M	M	
Auditing		M	M	
Revenue and Cash Management				
Revenue Management		M	M	
Billings	12/05/16	M	M	
Collections and Posting of Receipts	12/05/16	M	M	
Cash and Investments Management	12/06/18	M	L	
Bank Reconciliations	12/06/18	L	L	
Payroll				
Payroll Accounting and Reporting	12/06/17	L	(1) M	
Tax Filings and Reconciliations	12/06/17	L	(1) M	
Payroll Distribution	12/06/17	L	(1) M	
Human Resources				
Employment Recruitment and Hiring	12/06/17	L	(1) M	
Employee Administration and Termination	12/06/17	L	(1) M	
Employee Attendance		M	M	
Benefits				
Administration	03/22/21	M	M	
Payments and Cost Sharing	03/22/21	M	M	
Purchasing and Related Expenditures				
Purchasing System and Process	03/06/24	M	M	
Payment Process	03/06/24	M	M	
Credit Cards	03/06/24	M	M	
Grants and Special Education				
Grants Processing/Monitoring		M	M	
Special Education (Financial Operations)	02/08/23	M	M	
Facilities and Capital Projects				
Facilities Maintenance & Operations	03/10/16	M	M	
Capital Projects	03/10/16	M	M	

* Indicates the issuance date of an Agreed-Upon Procedures (AUP) or Detailed Testing (DT) report related to that area.

(1) The change from low to moderate risk is based on the passage of time since detailed testing was performed.

GLEN COVE CITY SCHOOL DISTRICT
Risk Assessment Table (Continued)
March 6, 2023

(L=Low, M=Moderate, H=High)

Business Process Area	**Date of Detailed Testing***	**Control Risk**		**Proposed Detailed Testing**
		Prior Year	**Current Year**	
Capital Assets				
Acquisition and Disposal	12/18/19	L	L	
Maintenance and Inventories	12/18/19	L	L	
Food Service				
Sales Cycle and System	12/18/19	L	L	
Purchasing and Inventory	12/18/19	L	L	
Federal and State Reimbursements	12/18/19	L	L	
Free and Reduced Lunch	12/18/19	L	L	
Extraclassroom Activity Fund				
General Controls and Administration	12/06/18	M	M	
Cash Receipts	12/06/18	M	M	
Cash Disbursements	12/06/18	L	L	
Information Technology				
Governance	03/20/22	M	M	
Network Security	03/20/22	M	M	
Financial Application Security	03/20/22	M	M	
Disaster Recovery	03/20/22	M	M	
Student Related Data and Services				
Student Attendance Data		M	M	
Student Performance Data		M	M	
Student Transportation	12/06/18	L	L	
Student Safety and Security		M	M	

* Indicates the issuance date of an Agreed-Upon Procedures (AUP) or Detailed Testing (DT) report related to that area.

KEY CHANGES FROM THE PRIOR YEAR'S RISK ASSESSMENT RELATED TO POLICIES, PROCEDURES, AND/OR CONTROLS

Governance and Planning

- There were several employee changes at the District since the prior year that include the Assistant Superintendent of Human Resources; District Treasurer; Coordinator of Information Technology; 2 Elementary School Principals; Assistant Director of Special Education; Deputy Purchasing Agent; Superintendent's Secretary; Human Resources Administrative Assistant; Accounts Payable Account Clerk; Payroll Account Clerk; and High School Extraclassroom Central Treasurer.
- The District continues to have an active Audit Committee that meets with the auditors, as required, and prepares the Board-approved Corrective Action Plans as per Commissioner of Education Regulation §170.12(e)(4).
- The District has completed the implementation of the new communications program, Parent Square. The transition to this new system has improved efficiencies and streamlined procedures related to communicating information to staff, students, and parents.

Accounting and Reporting

- The General Fund operated at a surplus of $664,028 for the year ended June 30, 2023, which increased the total General Fund's fund balance from $36,730,731 to $37,394,759.
- The Business Office has revised the accounting of their subscription based information technology agreements (SBITA) in compliance with the new Governmental Accounting Standards Board (GASB) Statement No. 96.

Payroll

- The District is in the process of preparing for the New York State and Local Retirement System (NYSLRS) system requirements to set up additional payroll account codes to facilitate this new reporting. Although the new enhanced reporting was set to begin at the end of the 2022 calendar year, NYSLRS has delayed the deadline for required implementation to occur during the 2024 year calendar year.

Human Resources

- The District is investigating software programs to facilitate the process of obtaining and on-boarding new employees electronically in place of the current process requiring applicants to submit hard copy documents.

Benefits

- There was a mid-year change to the health insurance premiums during the calendar year 2023 that resulted in a decrease in the amount paid by the District and reduced the employee contributions. We understand that the District appropriately accounted for this reduction in premiums regarding the monthly payment to the insurance provider and payroll withholdings from staff.

Grants and Special Education

- The District has started to address the recommendations from the internal auditor's *Internal Audit Report on Detailed Testing* dated February 8, 2023 related to the financial operations of special education. Refer to that report for more details regarding the results of that detailed review.

Facilities and Capital Projects

- The District has continued with the various projects related to the $31 million bond approved by the voters on October 12, 2022.

Food Service

- The District continued providing free meals to all students for the 2023-24 school year as part of the Community Eligibility Program (CEP).

Information Technology (IT)

- The District has continued to address the recommendations from the internal auditor's *Independent Accountant's Report on Applying Agreed-Upon Procedures* dated March 30, 2022 related to IT. Refer to that report for more details regarding the results of that detailed review.
- The District has engaged a third party consultant (Bloom) to perform a penetration test to be completed during this 2023-24 year to assess the vulnerability of the District's network security.
- The District has been active in educating staff on the importance of internet safety through emails and using a web-based training program, Global Compliance Network (GCN). In addition, the District has implemented procedures to perform periodic phishing campaigns to enhance awareness of potential scam emails.

Student Transportation

- The District has implemented the use of the TripFinder system to facilitate the request and approval of transportation for field trips.
- The District implemented the use of the StopFinder system to allow the District to provide timely communications with parents regarding delays.

RECOMMENDATIONS (NEW ITEMS)

PAYROLL

Periodic Payroll Audits

Risk Assessment Update – 2024

We found that the District does not perform periodic payroll tests (e.g., requiring employees to collect their payroll statements in person, review of a payroll listing by the building or department level administrator, etc.) to confirm individuals being paid through payroll are legitimate employees of the District.

We recommend that the District establish procedures to have the building principals periodically (e.g., September, January, and June) review an nVision system-generated payroll report of employees in their buildings to confirm that the individuals listed are current active employees of the District.

Documenting Preapprovals for Overtime

Risk Assessment Update – 2024

We found that the District has procedures to approve overtime prior to being paid, however, the District does not have procedures to document the preapproval of overtime.

We recommend that the District establish procedures to document the preapproval of overtime by the responsible administrators and ensure the documentation includes justification for the overtime work performed.

HUMAN RESOURCES

New York State Labor Law Notices

Risk Assessment Update – 2024

We found that the District does not post the labor notices on the Districts website as required by the amended New York Labor Law Section 201, effective December 16, 2022.

We recommend that the District ensure compliance with New York Labor Law Section 201 that requires employers to post the required labor notices on their website or provide to the employees in electronic format via emails.

STUDENT RELATED DATA AND SERVICES

Transportation – Request Vehicle Inspection Records

Risk Assessment Update – 2024

We found that the District does not request vehicle inspection records from the transportation vendor on an annual basis to ensure the records are up to date.

We recommend that the District consider establishing procedures to request that the transportation vendor periodically send the vehicle inspection records to the District and have the completeness of these records verified by the Districts Transportation Department.

RECOMMENDATIONS (OPEN ITEMS)

BENEFITS

Utilize nVision Modules

Agreed-Upon Procedures Report – 2021

We recommended that the District utilize the Benefits module and the fields of the HR module in nVision to record and track all employees and retirees enrolled in the health insurance plans. We recommended developing procedures to reconcile the information on a periodic basis to the payroll deduction register and the health insurance invoice enrollee listing. Reconciling the invoice to the payroll deduction register and billings to retirees and COBRA enrollees would help ensure that coverage is provided to the appropriate individuals and that the allocation of costs are accurate.

Risk Assessment Update – 2022

We noted that the District had started to investigate this recommendation.

Risk Assessment Update – 2023

We noted that the District planned to complete this recommendation during the 2023-24 year.

Risk Assessment Update – 2024

We note that the District has established procedures to add new hires and enrollment changes in the nVision benefits module. In addition, we found that the District has made progress with adding existing enrollees to the nVision system with completion planned during the 2024-25 year. We found that the District still needs to develop procedures to reconcile the information on a periodic basis to the payroll deduction register and the health insurance invoice enrollee listing.

SPECIAL EDUCATION

Written, Formal Procedures

Detailed Testing Report – 2023

We recommended that the District develop written, formal procedures for key financial processes of the Special Education Department using Word documents and/or Google forms. These should include reviewing vendor invoices, preparing contracts, setting up and approving pending POs, verifying the receipt of goods or services and preparing the budget, filing grant filings, etc.) In addition, these written, formal procedures should include processes related to properly completing STAC forms, filings with the state and procedures to retain detailed documentation substantiating the information in the STAC worksheets and AVL forms. This includes the review and approval process related to the STAC and AVL data prior to submission to the NYSED to ensure that these transactions were recorded timely and accurately, as well as, properly supported. These documents are helpful to facilitate tasks that are performed infrequently (e.g., annually) and to assist in the event of staff changes (e.g., retirements, resignations, unexpected absences, etc.).

Risk Assessment Update – 2024

We found that the Special Education Department still needs to address this recommendation. We understand that there have been delays with developing written, formal procedures due to staff turnover within the Special Education Department.

Budget Development Process

Detailed Testing Report – 2023

We recommended that the District improve the budget development process by (a) anticipating an estimated 5% increase in costs of goods and services and (b) consider being more conservative regarding the number of student placements and services. Incorporating these enhancements as part of the initial budget will result in more accurate projections and reduce the chances of significant budget adjustments during the fiscal year

Risk Assessment Update – 2024

We found that the Special Education Department had discussions with the Business Office related to the budget development process during the past year; however, further improvement is still needed including implementation of this recommendation.

EXTRACLASSROOM ACTIVITY FUND

Board Policy - Expand or Create New Policy

Agreed-Upon Procedures Report – 2018

We recommended that the District expand or create a new Board policy to address the duties of the Club Advisor and the Student Treasurer positions, as well as, procedures to handle remaining funds when closing clubs and to account for the interest when earned from the bank account.

Risk Assessment Update – 2020

We found that the District still needed to address this recommendation.

Risk Assessment Update – 2021

We noted that due to the impact of the pandemic related to extraclassroom activities, there had been a delay with the District addressing this recommendation.

Risk Assessment Update – 2022

We noted that the District still needed to address this recommendation.

Risk Assessment Update – 2023

We noted that the District still needed to address this recommendation.

Risk Assessment Update – 2024

We understand that the District plans to implement this recommendation for the 2024-25 year.

Bona-Fide Clubs

Agreed-Upon Procedures Report – 2018

We recommended that the District determine whether or not each extraclassroom activity is a bona-fide club per CR §172 and Finance Pamphlet 2. Included within the pamphlet is the regulation that each club shall have student officers as president, secretary, and treasurer who are involved in the financial activities of the club.

Risk Assessment Update – 2020

We noted that the HS clubs must provide student membership lists with the assigned officers and documentation related to the clubs' meetings. However, we found that the HS Student Activities club was not a bona-fide club due to the lack of student officers or student involvement with the financial activities. We recommended that the HS consider assigning the officers of the Student Senate club to the same roles for the Student Activities club to create a bona-fide club. In addition, we recommended that the MS address the field trip fund accounts for each grade because these were not bona-fide clubs due to the lack of student involvement.

Risk Assessment Update – 2021

We noted that due to the impact of the pandemic related to extraclassroom activities, there has been a delay with the District addressing this recommendation.

Risk Assessment Update – 2022

We found that the District still needed to address this recommendation, since the HS Student Activities club and the MS field trip fund accounts for each grade were still not bona-fide clubs due to the lack of student officers or student involvement with the financial activities.

Risk Assessment Update – 2023

We noted that the District still needed to address this recommendation

Risk Assessment Update – 2024

We understand that the District plans to implement this recommendation for the 2024-25 year.

Receipts - Strengthen Controls

Agreed-Upon Procedures Report – 2018

We recommended that the District strengthen controls related to receipts, particularly cash, at the club level since the collection of funds has a high level of inherent risk. In order to facilitate the pre-audit and recording of receipts, statements should be made by those collecting money. Such a statement should, on its face, include all of the essential data for a complete check and audit of the receipts. We recommended that the forms used to account for transactions be revised to provide an expanded comment or description section in which the Club

Advisor can fully explain the transaction and completely account for the items by documenting the purchase information and utilize pre-numbered receipts or tickets (i.e., number of items purchased, number of items sold, the number of left over items and the status of the remaining items).

Risk Assessment Update – 2021

We noted that due to the impact of the pandemic related to extraclassroom activities, there has been a delay with the District addressing this recommendation.

Risk Assessment Update – 2022

We found that the District still needed to address this recommendation.

Risk Assessment Update – 2023

We noted that the District still needed to address this recommendation.

Risk Assessment Update – 2024

We understand that the District plans to implement this recommendation for the 2024-25 year.

INFORMATION TECHNOLOGY

Disaster Recovery Plan

Agreed-Upon Procedures Report – 2022

We recommended that the District develop a formal, written Disaster Recovery Plan and establish procedures to periodically update the plan as necessary. We recommended that the District use the template received from Nassau BOCES to facilitate the implementation of this recommendation.

Risk Assessment Update – 2023

We found that the District was developing the Disaster Recovery Plan with the intent of completing the plan by the end of the 2022-23 year. We understood that the change in IT administrators had caused delays in addressing the IT recommendations.

Risk Assessment Update – 2024

We found that the District is still in the process of developing the Disaster Recovery Plan with the intent of completing the plan by the end of the 2023-24 year. We understand that the change in IT administrators has caused delays in addressing the IT recommendations.

User Accounts - Strengthen Procedures

Agreed-Upon Procedures Report – 2022

We recommended that the District strengthen procedures related to the user accounts by performing a complete reconciliation of the user accounts in all programs, which includes Active Directory, PowerSchool, nVision, and

Frontline Special Education Management. We also recommended that the District develop procedures to complete this process at least annually going forward. In addition, we recommend that the nVision system administrator set up a password change related to user accounts at the time an employee separates from the District.

Risk Assessment Update – 2023

We noted that the District was in the process of addressing this recommendation.

Risk Assessment Update – 2024

We found that the District is utilizing the Tools4Ever and ClassLink systems to systematically deactivate user accounts based on changes made in the nVision and PowerSchool systems. However, we found that the District does not have procedures to perform periodic reconciliations to ensure the systematic process is working properly.

User Account Passwords

Agreed-Upon Procedures Report – 2022

We recommended that the District establish procedures to strengthen protocols related to user account passwords for access to the key systems including Active Directory, nVision, PowerSchool, and Frontline. We recommended that the District consider standardized procedures that include the following to create consistent District-wide practices:

a) Complexity of the user account passwords to include a minimum of 8 characters, an uppercase letter, a lowercase letter, a number, and a special character.

b) Frequency of requiring the users to change their passwords annually or more frequently in the event that a password needs to be changed during the year for a user or users based on evidence of a compromise.

c) Lock out the user after 3 failed attempts to log into the system.

Risk Assessment Update – 2023

We noted that the District had completed (a) above and was in the process of addressing (b) and (c).

Risk Assessment Update – 2024

We found that the District has delayed the implementation of items (b) and (c) pending the results of the penetration test scheduled to be performed during this 2023-24 year by a third party consultant.

Acceptable Use Policy

Agreed-Upon Procedures Report – 2022

We recommended that the District develop a *Staff Use of Computerized Information Resources (Acceptable Use Policy)* for staff and establish procedures to require all employees to sign-off on such policy attesting that they have read, understand, and comply with the protocols related to technology (e.g., use of devices, internet access, District intranet, etc.) to improve the process of ensuring that each employee is fully aware of such

responsibilities. This would be an enhancement to the current practice as part of the log-in process where staff click on a statement titled Acceptable Use Policy Selection 2019-2020. The District should assign specific staff to manage these activities to ensure that there is completeness with obtaining and retaining these sign-offs from all employees. We also recommended that the District consider utilizing the web-based programs (e.g., Global Compliance Network) to facilitate this process by tracking, monitoring, and storing of these employee sign-offs electronically.

Risk Assessment Update – 2023

We noted that the District was in the process of addressing this recommendation.

Risk Assessment Update – 2024

We found that the District still needs to complete the implementation of this recommendation.

RECOMMENDATIONS (CLOSED ITEMS)

REVENUE AND CASH MANAGEMENT

Board Policy - Authorized Signatures

Agreed-Upon Procedures Report – 2018

We recommended that the District create a Board policy related to authorized signatures that should include language authorizing the signature on checks issued against all bank accounts of the District.

Risk Assessment Update – 2020

We noted that the District Treasurer had been assigned the task of implementing this recommendation. We provided the District with sample Board policies related to this topic to facilitate this implementation.

Risk Assessment Update – 2021-2023

We found that the District still needed to address this recommendation.

Risk Assessment Update – 2024 (This item is now closed)

We found that the District has adopted Board Policy #6410 – Authorized Signatures which includes language authorizing the signature on checks issued against all bank accounts of the District.

PURCHASING AND RELATED EXPENDITURES

Enhance Purchasing Process

Risk Assessment Update – 2023

We recommended that the District develop formal procedures to ensure that the type of purchase (e.g., state contract, BOCES bid, sole source, etc.) is included within the PO by the requisitioners when processing the

requisition. The inclusion of this information is a preferred practice to facilitate subsequent reviews of POs by District staff and auditors.

Risk Assessment Update – 2024 (This item moved to another report)

We included this item as part of the recent detailed testing engagement related to purchasing and disbursements. Refer to the Detailed Testing Report dated March 6, 2024 for details.

BENEFITS

Perform Comparison of Enrollees to Payroll Deductions

Agreed-Upon Procedures Report – 2021

We recommended that the District develop procedures to perform a comparison of the health insurance enrollee listing to the payroll deduction register on a periodic basis (e.g., quarterly).

Risk Assessment Update – 2022

We noted that the District still needed to address this recommendation.

Risk Assessment Update – 2023

We noted that the District planned to complete this recommendation during the 2023-24 year.

Risk Assessment Update – 2024 (This item is now closed)

We note that the District has implemented procedures to perform periodic payroll deduction reconciliations with the enrollment listings 3 times per year.

SPECIAL EDUCATION

Communications Between the Special Education and Transportation Departments

Detailed Testing Report – 2023

We recommended that the District establish procedures in the Department to ensure there are timely and complete communications related to student placements to the Transportation Supervisor to properly schedule the transportation services for these students.

Risk Assessment Update – 2024 (This item is now closed)

We found that the District has set up a Google sheet to facilitate the communication between the Special Education and Transportation to improve timeliness and completeness of information.

Purchase Orders – Signature of Receiver and Noting Purchase Type

Detailed Testing Report – 2023

We recommended that the District improve the purchasing process by requiring (a) the receiving copy of the PO, which needs to have a signature of a Department employee who verifies such receipt of goods or services, to be included with the documentation used to support the payment to the respective vendor and (b) the type of purchase (e.g., state contract, BOCES bid, sole source, etc.) to be included within the PO by the requisitioners when processing the requisition. The inclusion of the signed PO and type of purchase is a preferred practice to facilitate subsequent reviews of POs by District staff and auditors.

Risk Assessment Update – 2024 (This item moved to another report)

We included this item as part of the recent detailed testing engagement related to purchasing and disbursements. Refer to the Detailed Testing Report dated March 6, 2024 for details.

STAC and AVL –Maintaining Supporting Documentation

Detailed Testing Report – 2023

We recommended that the District improve the procedures in the Department related to the System to Track and Account for Children (STAC) and Automated Verification Listing (AVL) processes by requesting the third party (i.e., MAG) to provide the worksheets and develop procedures to review such worksheets to ensure completeness and accuracy of the data. In the absence of this procedure, the District is unable to independently validate and verify the STAC and AVL amounts each year.

Risk Assessment Update – 2024 (This item is now closed)

We found that the District is now receiving the STAC and AVL worksheets from the third party consultant.

Reconciliation of IEP Direct User Accounts

Detailed Testing Report – 2023

We recommended that the District strengthen procedures related to the IEP Direct user accounts by performing a complete reconciliation of the user accounts to ensure only appropriate access is provided to active employees and current related service providers. We also recommended that the District develop procedures to perform this reconciliation process at least annually going forward.

Risk Assessment Update – 2024 (This item is now closed)

We found that the District has completed a full reconciliation of the user accounts and have implemented procedures to perform this reconciliation annually going forward.

PowerSchool and Frontline Special Education Management Systems

Detailed Testing Report – 2023

We recommended that the District investigate the functionality of the PowerSchool and Frontline Special Education Management systems to determine if data could be systematically transferred via an upload or other process. This would reduce the manual efforts currently required to set up user accounts in Frontline Special Education Management system each year related to assigning students to the instructional-staff user accounts.

Risk Assessment Update – 2024 (This item is now closed)

We note that the District investigated the functionality within these two systems, but found that the systematic transfer of data is not feasible.

Timeliness of Vendor Payments

Detailed Testing Report – 2023

We recommended that the District establish procedures to ensure that the vendor invoices are paid timely in accordance with good business practices and to prevent any potential late fees charged by vendors related to payments being processed after the due dates.

Risk Assessment Update – 2024 (This item moved to another report)

We included this item as part of the recent detailed testing engagement related to purchasing and disbursements. Refer to the Detailed Testing Report dated March 6, 2024 for details.

INFORMATION TECHNOLOGY

PowerSchool and Frontline Special Education Management Systems

Agreed-Upon Procedures Report – 2022

We recommended that the District investigate the functionality of the PowerSchool and Frontline Special Education Management systems to determine if data could be systematically transferred via an upload or other process. This would reduce the manual efforts currently required to set up user accounts in the Frontline Special Education Management system each year related to assigning students to the instructional-staff user accounts.

Risk Assessment Update – 2023

We noted that the District was in the process of addressing this recommendation.

Risk Assessment Update – 2024 (This item is now closed)

We note that the District investigated the functionality within these two systems, but found that the systematic transfer of data is not feasible.

IT Assets and Inventory - Strengthen Processes

Agreed-Upon Procedures Report – 2022

We recommended that the District strengthen processes related to IT assets and inventory by completing the transfer of these items from the Excel spreadsheets to the One to One Plus web-based program and utilizing this program as the sole repository for all IT assets and inventory. We also recommended that the District develop procedures to ensure that the One to One Plus program is updated timely to account for all relocations, replacements, and deletions. In addition, we recommended that the District perform periodic physical inventories to verify the accuracy and completeness of the database.

Risk Assessment Update – 2023

We noted that the District was in the process of completing the transfer of items from the Excel spreadsheets to the One to One Plus web-based program.

Risk Assessment Update – 2024 (This item is now closed)

We found that the District has completed the transfer of items from the Excel spreadsheets to the One to One Plus web-based program.