

# Glen Cove City School District

*Recommendations from the Risk Assessment Update Report dated March 6, 2024 to assist the District with their Corrective Action Plan (CAP):*

## 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.*

##### District Corrective Action Plan

The Assistant Superintendent will distribute to all building administrators a NVision generated payroll report of employees in their building for them to verify that those employees on the report are active employees. This practice will be implemented September 13, 2024 and be done at a minimum of twice a year.

#### 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.*

##### District Corrective Action Plan

The Assistant Superintendent for Business will work with HR to produce a document to be used for overtime approval that is used by department heads for any employee who is granted overtime. It will include the day(s), time(s) and reason for the overtime, and include the signature by both the employee and supervisor. This procedure will be implemented starting September 3, 2024.

### 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.*

**District Corrective Action Plan**

The Assistant Superintendent for Human Resources has addressed this recommendation and the required labor notices are posted on the district's website. This was recommendation was April 25, 2024.

**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.*

**District Corrective Action Plan**

The Assistant Superintendent for Business has already addressed this recommendation and received from the transportation vendor the latest vehicle inspection records. The request for their vehicle inspection records will be made twice a year. This was implemented on April 17, 2024.

**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.*

**District Corrective Action Plan**

The Assistant Superintendent for Business will have the payroll supervisor provide the benefits clerk with a payroll deduction register for medical, dental, and vision benefits quarterly so the benefits clerk can compare that report with the invoices she receives from these vendors. This procedure will be implemented on October 7, 2024 and continue as part of the benefits clerk duties.

**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.*

**District Corrective Action Plan**

The Special Education Director will create an operational manual with complete directions to the process for 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, STAC and AVL. The Director of Special Education will review this process yearly with appropriate office personnel. This will be implemented by June 30, 2025.

**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.*

**District Corrective Action Plan**

The Assistant Superintendent for Business worked with the Director of Special Education on the 2024-2025 Special Education budget in regard to cost of tuition and special education services that will be needed in the 2024-2025 school year. The Special Education Director will continue to meet with the Assistant Superintendent of Business to discuss the upcoming overall departmental budget needs. The Special Education office will work with the account clerk to allocate a 5% increase to the upcoming budget year in anticipation of increased cost for special education services. This procedure was implemented with the budget of 2024-2025 on December 22, 2023. The Assistant Superintendent for Business and the Special Education Director will continue to meet quarterly throughout the 2024-2025 school year to review the budget appropriation report.

**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.*

**District Corrective Action Plan**

The District Treasurer will work with the high school Central Treasurer to create a new board policy that will address the duties of the Club Advisor and the Student Treasurer positions. This policy will be given to the Policy Committee to review and adopt. This recommendation will be implemented by June 30, 2025.

## **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.*

### **District Corrective Action Plan**

This corrective action was previously addressed in 2022 with the assigning of the Student Senate Club Officers as club officers for Student Activity. This recommendation is already implemented and will continue in the 2024-2025 school year and future years.

The recommendation for the middle school to address the field trip fund accounts for each grade has been discussed with the middle school Central Treasurer and the Assistant Superintendent for Business. The Central Treasurer feels that since students bring in their trip money at the last minute, not giving the district enough time to deposit the money and cut a check in time for the trip, it would be hard to implement this recommendation. The Assistant Superintendent for Business and the middle school Central Treasurer will meet with the district auditors on February 24, 2025 to see if they have another recommendation to address this problem.

## **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.*

#### **District Corrective Action Plan**

The deposit statement presently being used outlines the source and funds being collected; however, the description section has been expanded to further detail the transaction. In addition, the corrective action for ticket sales and various fundraising was addressed in 2022 when the High School began using PayPal to collect payments. Furthermore, several clubs are working with vendors who provide on-line sales, which eliminates the student's need to collect cash. These vendors provide the club with a detailed statement of the sales along with a check payable to the club representing the profit. Lastly, in 2022 DECA, the school store implemented the use of Square Terminal, which also minimizes cash. It is the intention of the HS Extra Class Activity to expand on non-cash payment procedures. This recommendation addressed again on September 30, 2024 and will continue to be worked on in the 2024-2025 school 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 and 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.*

#### **District Corrective Action Plan**

After conducting a risk assessment and penetration testing in the fall of 2023, the district continues to develop a Disaster Recovery Plan. With the support of a third-party consultant, specific issues are being addressed to further develop a comprehensive plan that covers all essential and critical infrastructure elements, systems and networks, in accordance with key business activities. This recommendation will be implemented on June 30, 2025 and the new Coordinator of Information Technology will continue to work on a district wide Disaster Recovery Plan.

#### **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.*

#### **District Corrective Action Plan**

Over the course of the next four months, the District will be migrating to OneSync to replace Tools4Ever to manage and monitor user accounts. Once the migration is complete, the Coordinator of Information Technology will develop a systematic process to ensure that the platform is able to perform periodic reconciliations when needed. This recommendation is being implemented now in the 2023-2024 school year and once the migration of OneSync is complete the process of periodic reconciliations will be implemented starting September 3, 2024.

## **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.*

#### **District Corrective Action Plan**

In late Spring 2024, the District will have all employees enrolled in Multi-Factor Authentication. Prior to enrollment, there will be a push to update user account passwords for access to key systems. During this time we will also enforce a lock out after a user has 3 failed attempts to log into the system. This recommendation will be implemented on June 10, 2024. The use of Multi-Factor Authentication will satisfy (b) and (c).

## **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.*

**District Corrective Action Plan**

The District has improved the process of ensuring that employees are fully aware of the Acceptable Use Policy by utilizing Global Compliance Network. The District has been using Global Compliance since 2016. Since then the District has utilized the web-based program to include the tracking, monitoring and sorting of employee sign-offs electronically. This was implemented on September 5, 2023.