DANSVILLE CENTRAL SCHOOL DISTRICT

Corrective Action Plan For Annual Audit

For Year Ended June 30, 2025

Current Year Deficiencies in Internal Control:

Appropriation of Fund Balance –

The District increased the appropriated fund balance and reserves to $3,939,656 at June 30, 2025, representing approximately 9.3% of the 2025-26 General Fund budget. The appropriation of fund balance at this level necessitates very conservative budgeting in order to avoid a year with a low fund balance causing the tax levy to increase sharply.

District Response –

The District will continue to work on decreasing the use of appropriated fund balance and reserves as a source of revenue to balance its budget. As demonstrated below, the District has decreased its reliance on these revenue sources from approximately 12.2% of the general fund budget for the 2022-23 budget to approximately 8.1% of the general fund budget for the 2024-25 budget, which is over a 4% decrease in three budget cycles.

The 2022-23 budget included $4,710,000 in appropriated fund balance and reserves, representing approximately 12.2% of the 2022-23 general fund budget.

The 2023-24 budget included $3,538,910 in appropriated fund balance and reserves, representing approximately 8.9% of the 2023-24 general fund budget.

The 2024-25 budget includes $3,302,860 in appropriated fund balance and reserves, representing approximately 8.1% of the 2024-25 general fund budget.

The 2025-26 budget includes $3,939,656 in appropriated fund balance and reserves, representing approximately 9.3% of the 2025-26 general fund budget.

The District is working with its fiscal advisors on a Long Range Fiscal Plan and Reserve Plan that will outline long-term use of fund balance and reserve allocations in order to avoid any sudden and significant changes to the tax levy year-to-year.

Current Year Deficiency in Internal Control:

Claims Auditor –

While examining the reports issued by the Claims Auditor we noted several instances where claims were paid prior to approval by the Claims Auditor.

We recommend that management review its policies and procedures over cash disbursements to verify whether the authority exists to issue payments prior to review by the Claims Auditor, when necessary, due to timing or to avoid paying penalties or late fees.

District Response –

The district will review both policy and procedures to decrease the number of claims that are paid prior to approval by the claims auditor. The district pays claims prior to approval from the Claims Auditor when necessary for leases, utilities, health insurance, and emergency situations. This is done to avoid late fees, which places an additional financial burden on taxpayers. The district also does this to avoid having utilities turned off and to ensure that employee health insurance for is not cancelled for late payment. The district will make efforts to ensure that claims receive prior approval from the Claims Auditor prior to issuing payment whenever possible.