CORRECTIVE ACTION PLAN (CAP) TO FISCAL YEAR END JUNE 30, 2017
CURRENT YEAR FINDINGS AND RECOMMENDATIONS

October 16, 2017

PAYROLL/PERSONNEL

During our audit of the District's payroll and personnel processes we noted the following:

- Ten out of forty instances where the Employee's Withholding Allowance Certificate (W-4 form) did not correspond with the payroll register.
- Seven out of forty instances where the Employee's Withholding Allowance Certificate (W-4 form) were not in the personnel files.
- Thirteen out of forty instances where the direct deposit form was not in the personnel files.

We recommend the District continue to review its personnel files and verify that all required employees have the appropriate documentation on file. We also recommend the District continue to review payroll and personnel procedures and monitor the processes to ensure internal controls are operating properly.

CAP: The Payroll department and Human Resources Department continue to work together to ensure that all the necessary forms and personnel documents are complete and on file. The business office is working on a checklist that will enable the Personnel and Payroll department to verify that all required documentation is collected.

EXTRACLASSROOM ACCOUNTS

The District has established extra classroom activity accounts to maintain student activities and funds. The New York State Education Department has published guidelines governing the proper procedures and policies governing the extra classroom accounts and transactions. During our audit of the District's extra classroom activity accounts, we noted the following:

- One out of ten invoices tested was not properly cancelled after payment.
- Three out of ten cash receipts tested did not have sufficient documentation for cash receipts.

We recommend the District review the extra classroom accounts to improve the procedures for the extra classroom accounts. We also recommend training of the extra classroom treasurer and advisors of the proper procedures required by the State of Education Department.

CAP: The business office continues to work closely with the treasurers of the high school and middle school to ensure that proper procedures are followed. The "Safeguarding, Accounting and Auditing of Extra classroom Activity Funds" booklet is distributed annually as a guide to proper accounting procedures required by the State Education Department. Training for the treasurers is on-going.

SCHOOL LUNCH FUND

During our audit we noted that the school lunch fund had an operating loss for 2016-2017 for $6,252 due to retiree medical expenditures being transferred from the general fund to the school lunch fund for the first time to reflect the true cost of the program. This resulted in an accumulated deficit fund balance of $21 at June 30, 2017. We recommend the District implement a long-term plan to fund the deficit with school lunch operations or general fund budgetary appropriations.

CAP: The district will as necessary, support the deficit of the school lunch operations with general fund budgetary appropriations. The goal of the school lunch program is to continue to grow and become profitable so that program is self-sufficient.