White Plains City School District

Risk Assessment Update Report

March 30, 2026

White Plains City School District
White Plains, New York

Risk Assessment Update Report

To the Board of Education and Audit Committee
White Plains City School District
White Plains, New York

We have performed the annual risk assessment update for the White Plains City School District ("the District") as required by Chapter 263 of the Laws of New York, 2005, and as per our engagement letter of July 1, 2025.

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, or the *International Standards for the Professional Practice of Internal Audit* issued by the Institute for Internal Auditors. 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:

- Reviewed our 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 performed by interviewing District management, as well as 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 engagement, especially the Business Office personnel.

This report is intended solely for the use and information of the Board of Education ("the Board"), 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

Port Jefferson Station, New York
March 30, 2026

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Chapter 263 of the Laws of New York, 2005 requires most school 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.

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 when 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 required 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's 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 processes to be tested during the coming year. The decision of which processes to review in detail is 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	December 3, 2024	District-wide
Detailed Testing	Employee Benefits	May 6, 2024

> ***Note****: the Detailed Testing Report dated March 30, 2026, related to human resources, was recently issued and those recommendations will be included in next year's 2026-27 Risk Assessment Update Report.*

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 personnel duties within the District and/or a financial investment. However, any improvement of controls should be done after a careful cost-benefit analysis is completed.

Corrective Action Plan

Commissioner of Education Regulation §170.12(e)(4) requires that a corrective action plan (CAP), approved by the Board, 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 system.

WHITE PLAINS CITY SCHOOL DISTRICT
Risk Assessment Table
March 30, 2026

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

Business Process Area	Date of Detailed Testing*	Control Risk Prior Year	Control Risk Current Year	Proposed Detailed Testing
Governance and Planning				
Governance & Control Environment		M	M	
Budget Development, Administration, and Fund Balance Management	10/30/2020 - OSC	M	M	
Accounting and Reporting				
Financial Accounting and Reporting	06/30/2018 - PA	M	M	
Auditing		M	M	
Revenue and Cash Management				
Revenue Management		M	M	
Billings	06/30/2018 - PA	M	M	
Collections and Posting of Receipts		M	M	
Cash and Investments Management		M	M	
Bank Reconciliations		M	M	
Payroll	06/30/2017 - PA			
Payroll Accounting and Reporting		M	M	
Tax Filings and Reconciliations		M	M	
Payroll Distribution		M	M	
Human Resources	06/30/2017 - PA			✓
Employment Recruitment and Hiring	03/30/26	M	H	
Employee Administration and Separation	03/30/26	M	H	
Employee Attendance	03/30/26	M	H	
Processing of Information to Payroll	03/30/26	H	H	
Benefits	06/30/2020 - PA			
Administration	05/06/24	H	M	
Payments and Cost Sharing	05/06/24	H	M	
Purchasing and Related Expenditures	06/30/2021 - PA			
Purchasing System and Process		M	M	
Payment Process		M	M	
Credit Cards		M	M	
Grants and Special Education	2024-25 - CR			
Grants Processing/Monitoring / Aid	06/30/2014 - PA	M	M	
Special Education (Financial Operations)	09/05/23	M	M	
Billings to Other School Districts	09/05/23	M	M	

* Indicates the issuance date of a detail testing (DT) report for that area. OSC – Office of the State Comptroller's Report, PA – Prior Auditor's Report, and CR – Consultant Review.

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

Business Process Area	**Date of Detailed Testing***	**Control Risk** Prior Year	**Control Risk** Current Year	**Proposed Detailed Testing**
Facilities and Capital Projects	07/31/2022 - CR			
Facilities Maintenance & Operations	06/30/2013 - PA	M	M	
Facilities Usage	06/30/2016 - PA	M	M	
Capital Projects		M	M	
Capital Assets and Inventory				
Acquisition and Disposal		M	M	
Maintenance and Inventories		M	M	
School Food Service	06/30/2019 - PA 12/22/2020 - CR			
Sales Cycle and System		M	M	
Purchasing and Inventory		M	M	
Federal and State Reimbursements		M	M	
Free and Reduced Lunch		M	M	
Extraclassroom Activity Funds	06/30/2010 - PA			
General Controls and Administration		M	M	
Cash Receipts		H	H	
Cash Disbursements		M	M	
Information Technology	04/28/2022 - PA			
Governance		M	M	
Network Security		M	M	
Financial Application Security		M	M	
Disaster Recovery		M	M	
Student Related Data and Services				
Student Attendance Data		M	M	
Student Performance Data		M	M	
Student Transportation	05/06/2024 - CR	M	M	
Student Safety and Security		M	M	

* Indicates the issuance date of a detail testing (DT) report for that area. OSC – Office of the State Comptroller's Report, PA – Prior Auditor's Report, and CR – Consultant Review.

KEY CHANGES FROM THE PRIOR YEAR'S RISK ASSESSMENT RELATED TO POLICIES, PROCEDURES AND/OR CONTROLS (as of our fieldwork conducted during January 2026)

Governance and Planning

Board and Personnel Changes

- The District has experienced several changes in leadership and key positions since the prior risk assessment engagement. These changes include the Assistant Superintendent for Special Education and Pupil Services, Food Service Director, as well as staff changes in the Business Office, Facilities and Operations Department, and Human Resources Department.

Ex-Officio Board Member

- In compliance with amendments to NYSED Law §2502, the District continued its practice of appointing two non-voting ex-officio student board members, a practice it had implemented prior to the new law. This action ensures compliance with state requirements and enhances student engagement in board governance.

Policy Updates

- The District has continued to review and update Board policies, as needed, to maintain alignment with applicable laws and regulations and ensure policies reflect current District operations and practices.

Audit Committee and Corrective Action Plans

- The District has 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).

ParentSquare Communications Platform

- The District has completed the implementation of the new application-based communications system, ParentSquare, replacing the prior email-based system for the start of the 2025-26 school year. The transition to this new system has improved efficiencies and streamlined processes related to communicating information to staff, students, and parents

Vendor Insurance Verification Software

- The District is piloting Business Credentialing Services (BCS), a certificate of insurance (COI) tracking and compliance software system accessed through BOCES, to streamline its vendor insurance verification process. BCS uses automated review to assess vendor insurance coverage and facilitates collection of required certificates of liability insurance, reducing the need for District staff to handle these tasks manually.

NYS School Safety and Prevention Act

- The District has implemented Part 1 of Desha's Law (NYSED Law §2801-a, as amended) by adopting cardiac emergency response procedures, ensuring AED accessibility, and designating trained responders. Preparations for Part 2 compliance, effective January 20, 2026, are underway, with updates to safety plans, staff training, and public comment processes on track to support timely implementation.

Bell-to-Bell Cellphone Ban

- The District implemented procedures to comply with the New York State "bell-to-bell" cellphone ban, which prohibits student cellphone use during instructional time. The District established guidelines for the collection, storage, and monitoring of student devices at the start of each instructional period, with return at the conclusion of the school day or designated instructional blocks. These procedures are intended to support instructional focus, reduce classroom disruptions, and align District practices with statewide requirements.

Student Elopement and Wandering

- The District adopted procedures to comply with the NYSED mandate effective September 2025, requiring protocols to manage student elopement and wandering. The District established guidelines for prevention, response, documentation, and staff training, and incorporated individualized strategies into plans for students with identified social-emotional needs. These procedures are intended to enhance student safety, reduce incidents, and align District practices with statewide requirements.

Accounting and Reporting

General Fund Surplus

- The General Fund operated at a surplus of $11,835,947 for the year ended June 30, 2025, which increased the General Fund's total fund balance from $135,055,371 to $146,891,318. This was the result of the excess of revenues over expenditures of $12,079,942 exceeding the total financing uses of ($243,995).

Revised Accounting for Compensated Absences (GASB 101)

- The Business Office has revised the accounting of their compensated absences in compliance with the Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. GASB 101 requires that compensated absences be recognized as a liability when the leave is attributable to services already rendered, the rights to leave accumulate, and the leave is more likely than not to be used for time-off or otherwise paid or settled. This revision ensures the District's financial statements accurately reflect compensated absence liabilities in accordance with the new standard.

Payroll, Human Resources, and Related Benefits

Internal Audit Follow-up

- The District has continued to be active with addressing the recommendations from Cullen & Danowski's *Internal Audit Report on Detailed Testing* dated May 6, 2024, related to employee benefits (refer to the section below "status of prior observations and recommendations (closed items)").

Internal Audit Report

- Refer to Cullen & Danowski's *Internal Audit Report on Detailed Testing* dated February 25, 2026, relating to human resources for information about the detailed review of this area.

Preapproval of Overtime

- The District implemented new protocols requiring overtime to be preapproved by the responsible building and department administrators via DocuSign prior to being worked. In addition, the District has been in discussions with Finance Manager, the vendor for nVision and Timepiece, regarding implementing a more automated workflow through Timepiece Web.

Staff Evaluations

- The District has revised the evaluation requirements for all provisional and probationary support staff positions to include three standardized evaluations to be completed after approximately 4 weeks, 8 weeks, and 12 weeks of employment. As part of these changes, the District also developed position-specific, standardized evaluation forms for use across applicable support staff roles (e.g., supervisory, clerical, custodial, etc.).

Purchasing and Related Expenditures

Electronic Payments to Vendors

- The District has begun implementing Automated Clearing House (ACH) payments, starting with vendors paid from the Capital Fund account. To facilitate this change, the District is having vendors complete ACH authorization forms so they can be set up for electronic payments within the nVision system. The rollout is expected to be phased by fund, with subsequent expansion to the General Fund to be implemented by vendor type.

Grants and Special Education

Administrators and Staff

- There is a new Assistant Superintendent for Special Education and Pupil Services as noted above and other changes in staff within the department since the prior year. We understand that there have been enhancements and plans to further improve operations of the department including the accuracy of data, as well as addressing the NYSED review starting in January 2026.

Food Services

School Food Service Deficit

- The Food Service Fund operated at a deficit of $479,029 for the year ended June 30, 2025, which decreased the total fund balance from $2,507,523 to $2,028,494. The assigned, unappropriated fund balance amount of $1,979,300 exceeded the three-month average expenditure level allowable by federal regulations 7CFR Part 210.14(b) but remained below the NYSED's 6-month threshold for requiring submission of a spend-down plan. We found that the District has a plan in place to reduce this fund balance to an amount below the three-month allowable level.

Universal Free School Meals

- Due to the enactment of NYSED §915(a), Universal Free School Meals, effective September 2025, and consistent with the District's existing participation in the Community Eligibility Provision (CEP), all students will continue to receive their first regular meal at no cost. The State paid reimbursement rate will provide the difference between the federal free and the federal paid rate for meals reimbursed in the paid category. While the legislation establishing Universal Free School Meals is written to continue indefinitely, its scope and duration remain subject to future legislative amendments or funding changes that could limit the extent of the program in subsequent years.

Information Technology (IT)

Staff Training and Awareness

- The District continues to require all staff to complete training courses related to safe internet use. This includes awareness of phishing scams and Education Law §2-D.

Infrastructure and Cybersecurity Enhancements

- The Information Technology (IT) Department continued to enhance the District's technology infrastructure, including implementing single sign-on (SSO) for certain software programs (i.e., Infinite Campus, Frontline, Zoom, and Master Library). SSO allows users to access multiple applications using one set of credentials, which streamlines access and supports stronger, centrally managed security controls.

Student Transportation

Transportation Contract Award

- The District conducted a formal Request for Proposal for student transportation services and based on the results, awarded a three-year contract to its incumbent transportation provider, Durham School Services (previously National Express School), continuing the District's relationship with the same core operating organization under evolving ownership and branding. The contract term begins in 2025-26 and runs through the 2028-29 school year. In accordance with filing requirements, the executed contract was submitted electronically to the NYSED's Transportation Unit web portal within 120 days of the start of service.

CURRENT OBSERVATIONS AND RECOMMENDATIONS

PURCHASING AND RELATED EXPENDITURES

Electronic Supporting Documentation

Risk Assessment Update – 2025

We found that the District maintains electronic supporting documentation in the nVision system for purchase orders and disbursements. However, the District provides the Claims Auditor with hardcopy voucher packets for review and approval.

We recommend that the District complete the transition to maintaining electronic voucher packets. In addition to retaining approved voucher packets in the nVision system, the District should consider using nVision functionality that enables the Claims Auditor to electronically approve disbursements within the nVision system. This transition would improve efficiency and accessibility, strengthen documentation retention, and enhance the audit trail by ensuring approvals and supporting records are centrally maintained and readily retrievable.

nVision System Line Item Receiving

Risk Assessment Update – 2025

We found that the District uses the nVision system's line item receiving functionality to allow requisitioners to electronically confirm receipt of goods or services. However, we were informed that this functionality is not consistently used throughout the District, with some requisitioners still manually signing invoices and packing slips to confirm receipt rather than utilizing the system functionality.

We recommend that the District enforce compliance with established procedures requiring requisitioners to confirm receipt of goods and services by using the nVision system's line item receiving functionality. This enforcement would improve consistency and accountability, strengthen the audit trail, and enhance efficiency by ensuring receiving documentation is captured and retained centrally within the system.

EXTRACLASSROOM ACTIVITY FUNDS

Club Inactivity and Required Student/Advisor Involvement

Risk Assessment Update – 2025

We found that there are four clubs that have not had any financial activity since prior to the 2022-23 year (i.e., High School: Math Club, Peer Leaders, and World Languages; Highlands Middle School: Jazz Band). In addition, we were informed that one club that was not active during the 2024-25 year and had a balance at June 30, 2025 (High School Global Ambassadors) does not currently have a faculty advisor. Furthermore, we noted another club that was not active during the 2024-25 or 2023-24 years and had a balance at June 30, 2025 for which discussions indicated there is no student involvement (i.e., High School Choral Club)

We recommend that the District determine whether the inactive clubs should be closed due to inactivity and ensure that the remaining clubs are bona fide ECAF clubs with active student involvement and a faculty advisor to oversee the club's activities. This will help strengthen oversight and accountability, ensure ECAF balances are supported by legitimate club activity, and reduce the risk of improper or unsupported use of club funds.

STATUS OF PRIOR OBSERVATIONS AND RECOMMENDATIONS (OPEN ITEMS)

EMPLOYEE BENEFITS

Strengthen the Health Insurance Buyout Process – Assign a Second Employee the Task of Reviewing the Buyout Spreadsheet

Detailed Testing – 2023

We recommended that the District strengthen the health insurance buyout process by assigning a second employee in the HR Department with the task of reviewing the buyout spreadsheet that is prepared by the Human Resources Generalist to ensure the completeness and accuracy of the payout amounts prior to processing these payments.

Risk Assessment Update 2025

We found that the Department has established procedures requiring a designated second employee (i.e., Assistant Superintendent for Human Resources, Director for Human Resources, Office Assistant, etc.) to review the health insurance buyout spreadsheet prepared by the Human Resources Generalist prior to processing payments. However, this secondary review is not currently documented on the buyout spreadsheet. We recommend that the Department develop a process to memorialize this review.

HUMAN RESOURCES AND INFORMATION TECHNOLOGY

User Accounts – Systems and Programs

Risk Assessment Update – 2024

We recommended that the District strengthen procedures to ensure user accounts in all systems and programs are activated, revised, or inactivated timely when an employee is hired, transfers, changes positions, or separates from the District. We suggested developing a formal process where the HR Department notifies the system administrators timely of all staff changes (i.e., new hires, transfers, and separations) via a systematic process or software program.

Risk Assessment Update 2025

We note that the District has established standard offboarding protocols that include inactivating separating employees' user accounts. We understand this process is currently manual, and the District plans to select and implement a software solution after the manual process is operating consistently. However, the District still needs to strengthen procedures to ensure user accounts across all systems and programs are activated and revised timely when employees are hired, transfer, or change positions. We were informed that during periods when HR was short staffed, there were numerous instances in which new employees were not set up with user accounts for required systems and programs, including situations where employees began working before being entered into nVision and/or were unable to access needed systems or programs upon start. We recommend that the District use the new formal manual offboarding protocols as a framework for establishing formal onboarding procedures to help ensure that new employees' user accounts are activated timely.

IT Training and Phishing Campaigns

Risk Assessment Update – 2024

We recommended that the IT Department investigate potential software programs and vendors that provide more robust and engaging options for staff training and phishing campaigns. We also recommended that the District increase the frequency of the simulated phishing campaigns to enhance IT protocols.

Risk Assessment Update 2025

We note that the IT Department is working with the Lower Hudson Regional Information Center (LHRIC) to strengthen staff cybersecurity training and simulated phishing campaigns. During the remainder of the 2025-26 year, the District plans to evaluate use of the Check Point Harmony program and refine the associated training content and phishing campaign parameters, with implementation anticipated for the 2026-27 year.

STATUS OF PRIOR OBSERVATIONS AND RECOMMENDATIONS (CLOSED ITEMS)

GRANTS AND SPECIAL EDUCATION

Special Education – Assess the Financial Activities and Consider a New Position

Detailed Testing – 2023

We recommended that the District assess the financial activities where the District may consider setting up a new position with the employee being assigned duties to manage the financial activities including purchasing, disbursements, state reports, billings, etc. that cross over between the Special Education Department and the Business Office. This assessment should include a review of the Special Education Department employees' responsibilities and potentially realigning these duties.

Risk Assessment Update – 2024

We noted that the Department had decided not to set up a new position and the Department employees' responsibilities had remained the same with no additional staff or realignment of duties. We recommended that the District reevaluate this recommendation based on the results of the Department's operations after the 2024-25 year.

Risk Assessment Update 2025 (This item is now closed)

We found that there was a change in administration in the Special Education Department that included a new Assistant Superintendent for Pupil Personnel Services. As part of this change, the District reassessed the operations of the Special Education Department that resulted in the hiring of an additional Junior Accountant position in the Business Office who will be assigned duties to assist the Special Education Department with financial activities.

HUMAN RESOURCES

Employee Administration – Assessment of Staff Duties

Initial Risk Assessment – 2022

We recommended that the District perform an assessment of the Human Resources (HR) Department to determine if the staff roles and responsibilities are appropriate to ensure the accuracy of the data and timeliness of information.

Risk Assessment Update 2023

We found that the District had been assessing the staff roles and responsibilities of the staff in the HR Department. We recommended that the District continue these efforts with the goal of ensuring the accuracy of the data and timeliness of information, since there continues to be instances when data is incorrect, incomplete, or data is not sent timely to the Payroll Department. It is critical that data be entered and updated timely and accurately to ensure that the employees are paid the correct amount.

Risk Assessment Update 2024

We noted that the District still needed to assess the staff roles and responsibilities of the staff in the HR Department. We found that there were still instances when data was incorrect, incomplete, or not sent timely to the Payroll Department.

Risk Assessment Update 2025 (This item moved to another report)

We have included this item in the Detailed Testing report dated February 25, 2026, related to human resources performed during the 2025-26 year.

Employee Administration – Professional Development

Initial Risk Assessment – 2022

We recommended that the District consider assigning the oversight and tasks related to the Professional Development and Annual Professional Performance Review (APPR) activities to the Curriculum and Instruction Department, where these responsibilities are usually managed at other school districts.

Risk Assessment Update 2023

We noted that the District was in the process of evaluating the time and staffing resources currently allocated to managing Professional Development and APPR, and considering the assignment of these duties to remain in the HR Department or transfer to the Curriculum and Instruction Department.

Risk Assessment Update 2024

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

Risk Assessment Update 2025 (This item moved to another report)

We have included this item in the Detailed Testing report dated February 25, 2026, related to human resources performed during the 2025-26 year.

Employee Attendance – Attendance Imports into nVision

Initial Risk Assessment – 2022

We recommended that the District assess the policies and procedures related to the staff attendance protocols that includes optimizing the process by utilizing import files to update the nVision system with absence data from the Absence Management system. This would enhance efficiencies by eliminating the current manual processes.

Risk Assessment Update 2023

We found that the HR Department and Information Technology Office still needed to complete the evaluation of the current policies and procedures to develop a more efficient process to utilize the capabilities of the District's software to submit this data electronically from the building and department level.

Risk Assessment Update 2024

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

Risk Assessment Update 2025 (This item moved to another report)

We have included this item in the Detailed Testing report dated February 25, 2026, related to human resources performed during the 2025-26 year.

EMPLOYEE BENEFITS

Develop Plan to include Missing Retirees and their relevant data in the nVision Human Resources Module

Detailed Testing – 2023

We recommended that the District develop a plan to include the missing retirees and their relevant data in the nVision Human Resources module. Since that module is the repository for staff data and should include the full population of employees including the retirees. As part of this process, we recommend that the Human Resources Department complete the health insurance reconciliation related to the retirees with determining if they should be contributing towards the premiums based on their bargaining unit and year of retirement.

Risk Assessment Update 2025 (This item is now closed)

We found that the Human Resources Department has added the missing retirees information and cross-referenced data from the retiree health insurance billing and reconciliation process to ensure that all 818 retirees' relevant data is in the nVision Human Resources module.

Determine the Status of the Remaining 82 Retirees

Detailed Testing – 2023

We recommended that the District continue with efforts to determine the status of the remaining 82 retirees who still have not verified their status or answered the letters sent by the District asking for information. The risk with these unverified enrollees is the potential that an individual has passed away, and the District is still paying the premiums where SWSCHP only provides a credit for up to 3 months.

Risk Assessment Update 2025 (This item is now closed)

We understand that the District was able to verify the status of the remaining 82 retirees as active participants in the health insurance plans

Determine the Course of Action Related to the Overpayments Paid by the District

Detailed Testing – 2023

We recommended that the District determine the course of action by the HR Department to memorialize the decision related to the overpayments paid by the District noted in the third and fourth bullet points on page 5 above (i.e., obtain Board approval to write off these amounts and/or discuss with legal counsel).

Risk Assessment Update 2025 (This item is now closed)

We found that the District has recovered a portion of the identified overpayments and wrote off certain accounts as uncollectible.

Monthly Insurance Reconciliations – Establish Procedures to Memorialize the Review Performed by the HR Administrator

Detailed Testing – 2023

We recommended that the District establish procedures to memorialize the review performed by the HR administrator related to the monthly insurance reconciliations prepared by the Human Resources Generalist. This review ensures the accuracy of the calculations, reasonableness of the explanations for changes, verifying the number of enrollees per the SWSCHP invoice to the District's census listing, and correctness of the payroll withholding amounts per the respective bargaining unit contract.

Risk Assessment Update 2025 (This item is now closed)

We found that the Department has established procedures to memorialize the HR Administrator's review of the monthly insurance reconciliations prepared by the Human Resources Generalist.

Continue Developing Written, Formal Procedures Documenting the Key Tasks

Detailed Testing – 2023

We recommended that the District continue developing written, formal procedures documenting the following key tasks that are performed by the staff to process and monitor employee benefits activities:

a) Reviewing the monthly SWSCHP invoice and reconciling to the payroll deductions and billings.
b) Preparing the annual health insurance buyouts for employees who elect the buyout of the health insurance and are entitled to a payment.

c) Verifying the accuracy of the revisions in payroll deductions and billings due to the annual health insurance rate changes in premiums.

d) Annual processes that include updating the cost allocation matrices and updating the nVision tables.

e) Managing the health insurance changes for enrollees during the year.

f) Selecting the correct codes to use within the nVision Census component of the Human Resource module to facilitate the classification, recording, and reporting of these activities. If necessary, continue refining the codes as necessary going forward.

g) Calculating the employee contributions towards health insurance premiums for the staff who work less than 12 months, particularly related to the months of July and August.

Risk Assessment Update 2025 (This item is now closed)

We found that the Department has developed an employee benefits administration manual that includes written, formal procedures documenting the key tasks noted in the recommendation.

Complete the Protocols Related to Managing the Retirees Enrolled in the Health Insurance Plan

Detailed Testing – 2023

We recommended that the District complete the protocols related to managing the retirees enrolled in the health insurance plan that includes the following items, taken into consideration that the District only receives a credit up to 3 months from SWSCHP in the event that an enrollee passes away while enrolled in the plan:

a) Sending emails or letters periodically.

b) Obtaining a list of inactive members from SWSCHP every three months.

c) Working with correspondents at the retirement systems offices to obtain information about the status of retirees still receiving their pension payments.

Risk Assessment Update 2025 (This item is now closed)

We found that the Department has completed the recommended protocols for managing retirees enrolled in the health insurance plan.

Continue Providing Training and Assistance for the Human Resources Generalist and Other HR Department Staff

Detailed Testing – 2023

We recommended that the District continue providing training and assistance for the Human Resources Generalist and other HR Department staff related to employee benefits activities including formal training that includes nVision system, Excel, and any other relevant programs. We also recommended that the HR Department plan for cross training scenarios to facilitate the handling of duties in the event of staff absences or transitions.

Risk Assessment Update 2025 (This item is now closed)

We found that the District has provided training and ongoing assistance to the Human Resources Generalist and other HR Department staff related to employee benefits activities, including training on the nVision system, Excel, and other relevant programs.