

Clarence Central School District

*Risk Assessment,
Recommendations
and Findings for 2026*



**BUILD TOGETHER,
WIN TOGETHER**

Clarence Central School District
Risk Assessment,
Recommendations and Findings
for 2026

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To the Board of Education
Clarence Central School District

We are pleased to report on the internal control procedures specific to the Transportation and Fuel process of the Clarence Central School District (the “District”). We tested this area of the District’s operations as a result of our Risk Assessment Report dated October 29, 2025. The purpose of our engagement is to provide recommendations to strengthen controls and reduce the identified risks. This report was developed from inquiries, observations and tests of internal control.

The District’s risks are the risks that an action or event will adversely affect its ability to successfully achieve its objectives. The Risk Assessment section of this report analyzes the findings that were identified during our engagement.

For purposes of this report, internal control is a process affected by the Board of Education (the “Board”), department heads and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the reliability of financial reporting and safeguarding of assets.

As noted, the purpose of our engagement was to assist you in improving the internal controls and reducing the risks that face your District. However, it is ultimately your responsibility to assess the adequacy of your risk management system. In performing our engagement, we relied on the accuracy and reliability of information provided by District personnel. We have not audited, examined or reviewed the information and express no assurance thereon.

The accompanying comments and recommendations are intended solely for the information and use of the Board, department heads and others within the District and should not be used for any other purpose.

We appreciate the opportunity to serve you and thank the individuals in your District for their cooperation. We have already discussed many of these comments and suggestions with various District personnel, and we will be pleased to discuss them in further detail at your convenience. Through our ongoing involvement with you as a client and our knowledge of your processes, we would be pleased to perform any additional studies of these matters or to assist you in implementing the recommendations.

TSA Advisors LLC

Williamsville, New York
March 6, 2026

Risk Assessment

Clarence Central School District

Risk Assessment

Overview

The Clarence Central School District's (the "District") risks are the risks that an action or event will adversely affect the District's ability to successfully achieve its objectives. During our engagement, we became aware of various sources of risk that impact the District. We evaluated these risks by using two distinct assessments of impact and likelihood. A simple rating scale has been developed for this purpose. The rating scale ranges from minor to significant impact, and low to high likelihood, using a 3-point scale.

Impact refers to the extent of the consequences or implications if the risk does occur. To assess impact, we have determined how much of an impact the risk has if it does occur:

- A minor impact suggests that the risk would not have important implications to the District.
- A moderate impact suggests that the risk could have implications for the District's ability to succeed.
- A significant impact suggests that the risk would have important implications to the District.

Likelihood refers to the probability that the risk may occur given the current context of the District. To assess likelihood, we have determined how likely it is that the risk will occur in the future, given what is currently done to manage said risk:

- A low likelihood suggests that the risk is unlikely to occur, given its nature and current risk management practices in place.
- A medium likelihood of occurrence suggests that the risk has a moderate probability of occurrence.
- A high likelihood of occurrence suggests that the risk is likely to occur, despite the current risk management practices in place.

The Risk Assessment Tolerance Model and Risk Assessment Matrix that follow summarizes these risks and assesses their impact and likelihood. The Internal Control Recommendations section of this report presents recommendations with more detailed information regarding criticality and implementation timelines.

Clarence Central School District

Risk Assessment (continued)

Risk Assessment Tolerance Model

Impact	Significant			
	Moderate	TF		
	Minor			
		Low	Medium	High
		Likelihood		

Clarence Central School District

Risk Assessment (continued)

Risk Assessment Matrix

Cycle	Risk Assessment Based on Procedures Performed	Impact	Likelihood
TF	We noted minor overall risk in the Transportation and Fuel cycle. We identified one recommendation for improvement, which we consider to be important to District operations.	Moderate	Low

Internal Control Recommendations

Clarence Central School District

Internal Control Recommendations

Overview

Internal control recommendations represent those areas that afford department heads of the District the opportunity to improve financial reporting and internal controls, to better safeguard District assets and/or to more efficiently or accurately record, summarize and report financial transactions and information. They also represent those areas that may improve efficiency of operations and accounting functions, potentially resulting in cost savings.

We have provided a criticality rating and an implementation timeline for each internal control recommendation. Criticality ratings considered included routine, important and urgent. The implementation timelines considered were short-term and long-term, reflecting the effort and time required to implement the applicable recommendation while factoring in the criticality assigned thereto. Short-term refers to a recommendation that we believe may be corrected within one year. Long-term refers to a recommendation that may require changes to the systems and/or procedures of the District that may require over one year to effectuate change.

As a result of the procedures we performed, we identified one (1) recommendation. The criticality and timeline for the recommendation within the Transportation and Fuel cycle is as follows:

<u>Internal Control Area</u>	<u>Number of Recommendations</u>	<u>Criticality</u>			<u>Timeline</u>	
		<u>Routine</u>	<u>Important</u>	<u>Urgent</u>	<u>Short- Term</u>	<u>Long- Term</u>
Transportation and Fuel	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>

Clarence Central School District
Internal Control Recommendations (continued)

TRANSPORTATION AND FUEL (TF)

RECOMMENDATION 1 –

Criticality: Important

Timeline: Long-Term

Finding: The interior and exterior areas of the bus garage at the District's Transportation Department building, which houses parts and tools inventory, does not appear to be adequately monitored with security cameras.

Background: The District's bus garage, located at the Transportation Department building, includes various parts and tools maintained for bus repairs and maintenance. The building itself is secured and locked from the outside, and accessible only by employees of the department through badges. There are some security cameras installed on the exterior of the building. However, there is only one camera inside of the building to monitor the activities within this area, and the camera does not cover the area where parts and tools inventory is stored. Additionally, while exterior cameras are located in the bus parking area and on the corners of the building, there are no cameras directly facing the building entrances or garage doors.

Rationale:

Impact: *Moderate* – By not properly monitoring the interior inventory storage area and the external entrances to the building and garage with security cameras, there is a moderate risk of theft or damage of District assets.

Likelihood: *Low* – Although there is a lack of security cameras within the bus garage, there appears to be adequate monitoring of the inventory storage area by department staff throughout the day, along with a perpetual inventory system to monitor inventory usage. Additionally, exterior doors are locked at all times, with only certain individuals having the appropriate badge access to enter the building or garage. As such, the likelihood of the risks of theft or damage pertaining to the assets being maintained by the District is considered low.

Recommendation: We recommend that the District consider installing cameras within the interior area of the bus garage to monitor the parts and tools inventory, as well as to the exterior of the building facing the entrances and garage doors, for enhanced monitoring and to prevent unauthorized access or potential damage to assets maintained by the Transportation Department.