Glen Cove City School District

Risk Assessment Update Report

June 4, 2025

CULLEN & DANOWSKI, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Risk Assessment Update Report

To the Board of Education and Audit Committee
Glen Cove City School District
Glen Cove, New York

We have performed the annual risk assessment update for the Glen Cove City School District (District) as required by Chapter 263 of the Laws of New York, 2005, and as per our engagement letter of July 1, 2024.

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 (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
June 4, 2025

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GLEN COVE CITY SCHOOL DISTRICT
Introduction
June 4, 2025

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	March 6, 2024	District-wide
Detailed Testing	March 6, 2024	Purchasing and Disbursements

***Note**: the Detailed Testing Report dated June 4, 2025, related to human resources and capital projects, was recently issued and those recommendations will be included in next year's 2025-26 Risk Assessment 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.

GLEN COVE CITY SCHOOL DISTRICT
Risk Assessment Table
June 4, 2025

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

Business Process Area	**Date of Detailed Testing***	**Control Risk**		**Proposed Detailed Testing**
		Prior Year	**Current Year**	
Governance and Planning				
Governance & Control Environment		M	M	
Budget Development, Administration, and Fund Balance Management		M	M	
Accounting and Reporting				
Financial Accounting and Reporting		M	M	
Auditing		M	M	
Revenue and Cash Management				
Revenue Management		M	M	
Billings	12/05/16	M	M	
Collections and Posting of Receipts	12/05/16	M	M	
Cash and Investments Management	12/06/18	L	(1) M	
Bank Reconciliations	12/06/18	L	(1) M	
Payroll				✓
Payroll Accounting and Reporting	12/06/17	M	M	
Tax Filings and Reconciliations	12/06/17	M	M	
Payroll Distribution	12/06/17	M	M	
Human Resources				
Employment Recruitment and Hiring	06/04/25	M	M	
Employee Administration and Termination	06/04/25	M	M	
Employee Attendance	06/04/25	M	M	
Benefits				
Administration	03/22/21	M	L	
Payments and Cost Sharing	03/22/21	M	L	
Purchasing and Related Expenditures				
Purchasing System and Process	03/06/24	M	M	
Payment Process	03/06/24	M	L	
Credit Cards	03/06/24	M	L	
Grants and Special Education				
Grants Processing/Monitoring		M	M	
Special Education (Financial Operations)	02/08/23	M	M	

* Indicates the issuance date of a detail testing (DT) report for that area.
(1) The change from low to moderate risk is based on the passage of time since detailed testing was performed.

GLEN COVE CITY SCHOOL DISTRICT
Risk Assessment Table (Continued)
June 4, 2025

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

Business Process Area	**Date of Detailed Testing***	**Control Risk**		**Proposed Detailed Testing**
		Prior Year	**Current Year**	
Facilities and Capital Projects				
Facilities Maintenance & Operations	03/10/16	M	M	
Capital Projects	06/04/25	M	M	
Capital Assets				
Acquisition and Disposal	12/18/19	L	L	
Maintenance and Inventories	12/18/19	L	L	
Food Service				
Sales Cycle and System	12/18/19	L	L	
Purchasing and Inventory	12/18/19	L	L	
Federal and State Reimbursements	12/18/19	L	L	
Free and Reduced Lunch	12/18/19	L	L	
Extraclassroom Activity Fund				
General Controls and Administration	12/06/18	M	M	
Cash Receipts	12/06/18	M	M	
Cash Disbursements	12/06/18	L	(1) M	
Information Technology				
Governance	03/20/22	M	M	
Network Security	03/20/22	M	L	
Financial Application Security	03/20/22	M	L	
Disaster Recovery	03/20/22	M	L	
Student Related Data and Services				
Student Attendance Data		M	M	
Student Performance Data		M	M	
Student Transportation	12/06/18	L	(1) M	
Student Safety and Security		M	M	

* Indicates the issuance date of a detail testing (DT) report for that area.
(1) The change from low to moderate risk is based on the passage of time since detailed testing was performed.

KEY CHANGES FROM THE PRIOR YEAR'S RISK ASSESSMENT RELATED TO POLICIES, PROCEDURES AND/OR CONTROLS (as of our fieldwork conducted during March 2025)

Governance and Planning

Board and Personnel Changes

- There was a Board member change, as well as several changes in key roles since the prior year including the Assistant Superintendent for Business and Finance, Director of Facilities, Claims Auditor, as well as staff changes in the Human Resources Department and Special Education Department.

Policy Update

- The District has been actively reviewing and updating Board policies as needed, including *Policy #5605 – Student Voter Registration and Pre-Registration, Policy #6700 – Purchasing, Policy #6700-E – Purchasing Exhibit, Policy #8130.2 – Workplace Violence Prevention, Policy #9520.6 – Expression of Breast Milk in the Work Place,* and *Policy #9800 –Negotiations.*

Workplace Violence Prevention Compliance

- The District was compliant with the New York State Department of Labor (NYSDOL) expansion of the Workplace Violence Prevention Law (Section 27-b of Labor Law) to elementary and secondary public education facilities. The District completed a required workplace violence policy statement, a workplace risk evaluation, and a workplace violence prevention program.

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).

Accounting and Reporting

General Fund Surplus

- The General Fund operated at a surplus of $7,580,667 for the year ended June 30, 2024. This resulted in an increase of the total General Fund's fund balance from $37,394,759 to $44,975,426, reflecting the excess of revenues over expenditures of $9,036,853, exceeding the total financing sources and uses of ($1,456,186).

Payroll

Retirement System Reporting

- The District has finished preparing for the New York State and Local Retirement System (NYSLRS) system requirements to set up additional payroll account codes to facilitate this new reporting.

Employee Self-Service Portal

- The District has implemented the use of the employee self-service portal (i.e., nVision Web) of the nVision financial system to provide staff with online access to their payroll information including direct deposit advices and tax withholding statements.

Human Resources

Internal Audit Report on Detailed Testing

- Refer to the Cullen & Danowski's *Internal Audit Report on Detailed Testing* dated June 4, 2025, related to human resources and capital projects for information about the detailed review of this area.

Purchasing and Related Expenditures

Internal Audit Follow-up

- The District has been active with addressing the recommendations from the Cullen & Danowski's *Internal Audit Report on Detailed Testing* dated March 6, 2024, related to purchasing and disbursements, as noted below.

Facilities and Capital Projects

Internal Audit Report on Detailed Testing

- Refer to the Cullen & Danowski's *Internal Audit Report on Detailed Testing* dated June 4, 2025, related to human resources and capital projects for information about the detailed review of this area.

Capital Bond Work

- The construction work related to capital projects has continued and includes the completion of the District-wide interior door replacements, new tennis courts, and other District-wide renovation projects.

Food Services

Community Eligibility Program

- Due to changes in eligibility requirements for the Community Eligibility Program (CEP) by the state of New York, as of January 2024, all students continue to receive meals at no cost, with the state reimbursing the District for 100% of those sales.

School Food Service Surplus

- The food service program operated at a surplus of $116,268 for the year ended June 30, 2024, which increased the fund balance amount in the Food Service Fund from $98,046 to $214,314. This amount of fund balance was within the six-month average expenditure level allowable by federal regulations 7CFR Part 210.14(b).

Information Technology

Internal Audit Follow-up

- The District has been active with addressing the recommendations from the Cullen & Danowski's *Independent Accountant's Report on Applying Agreed-Upon Procedures* dated March 30, 2022 related to information technology, as noted below.

Staff Training and Awareness

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

Safety and Security

Safety and Security Training and Enhancements

- The District continued to provide the staff with additional safety and security related training.

School Safety Plan Compliance

- The District was compliant with the New York State Education Department (NYSED) expansion of the School Safety Plan requirements (Section 155.17 of the Regulations of the Commissioner of Education). There are protocols in place where the District provides parents with one week's notice of any upcoming lockdown drill as required.

CURRENT OBSERVATIONS AND RECOMMENDATIONS

GRANTS AND SPECIAL EDUCATION

IDEA 611 Grant – Carryover Funds

Finding and Recommendation – Risk Assessment Update – 2025

We note that the District had a sizable amount of carryover funds related to the IDEA Section 611 and Section 619 grants totaling $140,679 and $303,083 at the end of the 2022-23 and 2023-24 years, respectively. The carryover amounts were $267,094 or 22% of the total available amount of $1,211,992 for the 611 grant and $35,989 or 60% of the total available amount of $59,867 for the 619 grant at the end of the 2023-24 year.

We recommend that the District develop procedures to minimize the IDEA Section 611 and Section 619 grant carryover amounts to reduce any potential loss of funds if the state only approves a lower amount of the carryover funds.

STATUS OF PRIOR OBSERVATIONS AND RECOMMENDATIONS (OPEN ITEMS)

PAYROLL

Documenting Preapprovals for Overtime

Risk Assessment Update – 2024

We recommended 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.

Risk Assessment Update – 2025

We found that the District plans to create a standard form and/or use emails to formally document the preapproval of overtime, with implementation expected for the 2025-26 year.

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 noted that the District had established procedures to add new hires and enrollment changes in the nVision benefits module. In addition, we found that the District had made progress with adding existing enrollees to the nVision system with completion planned during the 2024-25 year. We found that the District still needed to develop procedures to reconcile the information on a periodic basis to the payroll deduction register and the health insurance invoice enrollee listing.

Risk Assessment Update – 2025

We found that the District plans to develop procedures and assess the use of the nVision system to facilitate this process.

PURCHASING AND RELATED EXPENDITURES

Board Policy – Uniform Grant Guidance

Detailed Testing Report – 2024

We recommended that the District revise the language in *Board Policy #6700 – Purchasing* or create a new Board policy to include language regarding the procurement of goods or services using federal grant funds as required per the Uniform Grant Guidance (2 CFR Part 200).

Risk Assessment Update – 2025

We provided the District with sample Board policies to assist with the implementation of this recommendation.

Document Retention – Standardize Procedures

Detailed Testing Report – 2024

We recommended that the District establish District-wide standard procedures related to the retention period and types of records regarding the purchasing related documents. Some documents may need to be retained for longer periods as deemed necessary (e.g., warranty records, long-term agreements, etc.).

Risk Assessment Update – 2025

We found that the District plans to create and send a memo outlining the District-wide standard procedures related to the retention period and types of records regarding purchasing related documents.

GRANTS AND SPECIAL EDUCATION

Written, Formal Procedures

Detailed Testing Report – 2023

We recommended that the District develop written, formal procedures for key financial processes of the 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 needed to address this recommendation. We understood that there had been delays with developing written, formal procedures due to staff turnover within the Special Education Department.

Risk Assessment Update – 2025

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 continued staff turnover within the Special Education Department.

INFORMATION TECHNOLOGY

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 needed to complete the implementation of this recommendation.

Risk Assessment Update – 2025

We found that the District is in the process of addressing this recommendation, with implementation expected for the start of the 2025-26 year.

STUDENT RELATED DATA AND SERVICES

Transportation – Request Vehicle Inspection Records

Risk Assessment Update – 2024

We recommended 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.

Risk Assessment Update – 2025

We found that the District is in the process of performing a request for proposal (RFP) for the transportation services contract beginning with the 2025-26 year and will require the transportation vendor to send the vehicle inspection records every six months. This frequency aligns with the New York State Department of Transportation (NYSDOT) Bus Inspection Program that requires the vehicles to be inspected at least every six months.

STATUS OF PRIOR OBSERVATIONS AND RECOMMENDATIONS (CLOSED ITEMS)

PAYROLL

Periodic Payroll Audits

Risk Assessment Update – 2024

We recommended 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.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has developed procedures for the administrators to periodically review and sign-off on an nVision system-generated payroll report of employees in their respective building or department. The review and sign-off will be performed for the last check in September, the last check in January, and the first check in June each fiscal year commencing with the first check in June 2025.

HUMAN RESOURCES

New York State Labor Law Notices

Risk Assessment Update – 2024

We recommended 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.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has posted the required labor notices on their website in compliance with New York Labor Law Section 201.

PURCHASING AND RELATED EXPENDITURES

Board Policy – Revise Purchasing Exhibit #6700

Detailed Testing Report – 2024

We recommended that the District revise *Board Policy Exhibit #6700-E* to align such policy exhibit with the preferred practice as follows:

a) Obtaining 2 catalog or price sheets for purchase contracts from $500 - $1,000 instead of under $1,000

b) Obtaining 2 written quotes instead of 2 verbal quotes for purchase contracts from $1,000 - $5,000 and public works contracts from $2.001 - $15,000

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has revised the policy exhibit to align with the preferred practice.

Vendor PO – Revise Language Related to Backordered Items and Partial Payments

Detailed Testing Report – 2024

We recommended that the District investigate revising the vendor copy of the PO to include language regarding the District's policy of not making payments on invoices that include backordered items that the District has not yet received.

Risk Assessment Update – 2025 (This item is now closed)

We found that the language of the vendor copy of the PO states that the "District policy requires all items on an invoice to be received before payment is made" that complies with the District's policy to not make a payment on invoices if there are items on backorder.

Confirming Purchase Orders

Detailed Testing Report – 2024

We recommended that the District improve the purchasing process by continuing with efforts to create POs in advance of receiving goods or services, thus preventing instances of confirming POs where goods or services are received prior to preparing the purchase requisition. The procedures should ensure that the District properly encumbers funds before entering into a commitment with an outside vendor, so approved POs are obtained prior to receipt of goods or services.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has continued with efforts to prevent instances of confirming POs that include sending reminders to requisitioners about creating POs prior to receiving goods or services and setting up a process requiring an explanation to be provided by the requestor when there is a confirming PO.

Timely Payments to Vendors

Detailed Testing Report – 2024

We recommended that the District continue with efforts to ensure payments to vendors are processed timely. We recommend that when there is a variance of more than 60 days between the invoice date and processing the payment, there should be a notation explaining the reason for the delay in the PO documentation.

Risk Assessment Update – 2025 (This item is now closed)

We found that there has been staff turnover in the Special Education Department over the past year, resulting in delays in the processing of payments to vendors. We note that the District has developed procedures requiring an explanation to be included on the supporting documentation in the event there is a variance of more than 60 days between the invoice date and the processing of the payment.

Maintaining Support for Disbursements to Vendors

Detailed Testing Report – 2024

We recommended that the District establish procedures to ensure disbursements to vendors are properly supported and the supporting documentation is maintained as required.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has established procedures to ensure disbursements to vendors are properly supporting and the supporting documentation is maintained as required.

Documenting Receipt of Goods and Services

Detailed Testing Report – 2024

We recommended that the District continue with efforts to ensure that the receiving of items is properly documented by having the receiver sign-off on the receiving copy of the PO or invoice when the items are received.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has strengthened the disbursement process by ensuring the receiving of items is properly documented prior to the processing of payments to vendors.

Ensure nVision Data Aligns with Supporting Documentation

Detailed Testing Report – 2024

We recommended that the District continue with efforts to ensure the data (e.g., invoice numbers, etc.) entered into the nVision system aligns with the data listed on the documentation to support disbursements made to vendors. The correct invoice number being entered into nVision is important to prevent the District from potentially making a duplicate payment.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has established procedures to ensure the data entered into the nVision system aligns with the data listed on the documentation to support disbursements made to vendors.

Deputy Purchasing Agent – Access to Purchasing Documents on District's Shared Drive

Risk Assessment Update – 2024

We recommended that the District consider providing the Deputy Purchasing Agent with access to the District's shared drive that is used to maintain the supporting documentation related to purchase orders.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has provided the Deputy Purchasing Agent with access to the District's shared drive that is used to maintain the supporting documentation related to purchase orders.

Enhance Process – Purchasing Copy of Purchase Order

Risk Assessment Update – 2024

We recommended that the District determine if printing the Purchasing Copy of the PO is necessary since this information is maintained electronically in the nVision system.

Risk Assessment Update – 2025 (This item is now closed)

We understand that the District has decided to cease printing the Purchasing Copy of the PO and this revised process starts July 1, 2025.

GRANTS AND SPECIAL EDUCATION

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 was still needed, including implementation of this recommendation.

Risk Assessment Update – 2025 (This item is now closed)

We found that the Special Education Department has improved the budget development process as recommended.

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 – 2020-2023

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

Risk Assessment Update – 2024

We understood that the District planned to implement this recommendation for the 2024-25 year.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has established duties of the Club Advisor and Student Treasurer positions and standard procedures to handle the remaining funds when closing clubs and to account for the interest when earned from the bank account rather than including these items in a Board policy.

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 – 2021-2023

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

Risk Assessment Update – 2024

We understood that the District planned to implement this recommendation for the 2024-25 year.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has developed procedures to require the standard forms used for extraclassroom activities to be completed and signed-off as required to support the receipts and payment transactions of the clubs.

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. 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 – 2020-2023

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

Risk Assessment Update – 2024

We understood that the District planned to implement this recommendation for the 2024-25 year.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has strengthened controls related to receipts by requiring the clubs to provide documentation to support the amount of funds submitted to the central treasurers.

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 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 was 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 understood that the change in IT administrators had caused delays in addressing the IT recommendations.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District engaged a third party, Bluum Technology, to assist with the completion of a formal, written 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 was 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 did not have procedures to perform periodic reconciliations to ensure the systematic process is working properly.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has completed a full reconciliation of the system user accounts and has established procedures to complete this reconciliation annually.

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 had delayed the implementation of items (b) and (c) pending the results of the penetration test that was scheduled to be performed during the 2023-24 year by a third party consultant.

Risk Assessment Update – 2025 (This item is now closed)

We found that the District has strengthened the protocols related to user account passwords by addressing items (b) and (c), as well as through the implementation of Multi-Factored Authentication (MFA).