

January 10, 2023

The New York State Education Department
Office of Audit Services
89 Washington Avenue, Room 524EB
Albany, NY 12234

Re: Corrective Action Plan & Summary of Prior Year Findings – Central Valley Central School District at Ilion-Mohawk – Extra-classroom Activity Fund

To Whom It May Concern:

Following is the Corrective Action Plan for the 2021-22 Independent Audit of the Central Valley Central School District at Ilion-Mohawk, along with the Summary of Prior Year's Findings.

Corrective Action Plan

1.) Material Weaknesses.

See status of Prior Year Findings and recommendations.

2.) Other Matters not considered Material or Significant:

See status of Prior Year Findings and recommendations.

A. Extraclassroom Cash Receipts

As in prior years, insufficient accounting controls exist over cash collections prior to the initial entry in the accounting records by the Central Treasurer. Internal accounting control and control over undeposited cash collections could be strengthened if receipts for cash collections were issued upon the point of sale and a pre-audit of receipts was available for each major event.

Accordingly, a material weakness exists due to inherent lack of control at the point of collection of the various fund raising activities.

Status: Noted again in the current year.

District Response: While the District appreciates the comment and will strive to correct this issue, from a practical point of view, expecting students to issue a receipt for the sale of a \$1 dollar cookie at a student bake sale as an example, while preferable, may not always happen. **Corrective Action Plan** – (CAP) during our annual internal audit by one of the fine professionals from Questar III BOCES the district requests our auditor to conduct training for our Central Treasurer and all extra-classroom advisors, club advisors and student officers. During that training the trainer will explain in detail how cash receipts are used in the proper handling of cash transactions. The district will also request a list of recommendations as to the types of fund raising activities that provide for less risk. This training will take place the week of Jan. 30 – Feb. 3 2023. Any individuals not present will be asked to join a follow up training provided by our Central Treasurer the following week. In addition the Central Treasurer will keep a sign in to share will District administration to reconcile any attendance concerns or any issues arising from the concerns raised by this material weakness.

B. Student Ledgers

Not all student treasurers maintain ledgers for their clubs. As a result, there is insufficient record of cash receipts being timely reported to the Central Treasurer.

Two separate and independent sets of records of receipts and disbursements should be maintained, one by the central treasurer and one by the student activity treasurer.

Status: Noted again during the current year audit.

District Response: The District is in agreement with this finding and will continue to offer training to club advisors.

Corrective Action Plan – (CAP) The District Administration has asked for the specific clubs that have shown insufficient record keeping. If this lack of proper record keeping continues in the future the district will likely ban all fund raising activities for clubs that lack proper record keeping protocols. We may have to eliminate those clubs all together as the activities are self-funded.

I trust the above information will satisfy the requirements of your office. Please contact me with any questions or concerns regarding this audit.

Sincerely,

James Humphrey