

**LYNDONVILLE CENTRAL SCHOOL DISTRICT  
CORRECTIVE ACTION PLAN  
Year Ending June 30, 2020**

**PRIOR YEAR (2018-19) DEFICIENCIES PENDING CORRECTIVE ACTION:**

**Banking Procedures:**

**Finding:** Examination revealed that the District does not have a dedicated computer terminal to be used exclusively for on-line banking transactions.

**Recommend:** In order to enhance the controls over wire transfers and on-line banking, we recommend the District consider utilization of a dedicated computer terminal to be used exclusively for online banking transactions.

**Person Responsible for Corrective Action:** Business Administrator

**Corrective Action:** The part-time treasurer utilizes a computer housed in an office that is locked. The tax collector uses the same computer during the months of September and October. There is limited space available for a dedicated banking computer. The Business Administrator will pursue a cost-effective way to secure electronic banking transactions.

**Anticipated Completion Date:** June 30, 2021

**Purchase Orders:**

**Finding:** The auditors examination of disbursements revealed four instances where there was no purchase order when one appeared necessary.

**Recommend:** Purchases be supported by a properly approved purchase order in accordance with the District's purchasing policies and procedures.

**Person Responsible for Corrective Action:** Business Administrator & Accounts Payable Personnel

**Corrective Action:** All purchases (with the exception of emergency orders) will be supported with a purchase order.

**Anticipated Completion Date:** October 31, 2020, Completed.

## **Purchasing:**

**Finding:** Examination of cash disbursements, noted that the purchasing regulation does not address quoting thresholds over \$10,000.

**Recommend:** Administration review its policies and procedures over the purchasing process and consider updating its regulation to match the current process.

**Person Responsible for Corrective Action:** Business Administrator & Accounts Payable personnel

**Corrective Action:** Review the purchasing regulations. Analyze what is needed for Lyndonville CSD including discussion with Leadership Team. Develop a proposal of any changes if needed to the current regulation. Present to the Board of Education (B.O.E.). Update the regulation needed based on B.O.E. decision.

**Anticipated Completion Date:** January 30, 2021

## **Self-Assessment:**

**Finding:** The District has documented written procedures over its financial cycle; however, the District is not required to have an internal audit and has not performed an assessment of those procedures for several years.

**Recommend:** Management review its procedures and update them for any changes or current risks. In addition, management should consider developing written procedures for other significant areas such as budgeting, purchasing, human resources, retiree health billing, STAC and Medicaid.

**Person Responsible for Corrective Action:** Business Administrator & other key employees most knowledgeable in these areas.

**Corrective Action:** Business Administrator working with key members of the organization to review the procedures and update them for any changes or current risks. Also Business Administrator working with key members of the organization develop written procedures as needed for other significant areas such as budgeting, purchasing, human resources, retiree health billing, STAC and Medicaid.

**Anticipated Completion Date:** June 30, 2021

## **CURRENT YEAR (2019-20) DEFICIENCIES IN INTERNAL CONTROL:**

### **Summer School 4408 Program:**

**Finding:** The N.Y.S. Education Department provides an EFH-670 summary of 4408/4201 STAC approval and verified costs and state aid payments. This document should be reviewed to ensure the services provided are properly STAC'ed and the District's local share can be easily calculated. As a result, STAC costs were never verified and the District did not receive any 2019-2020 summer school 4408 revenue for the 2019-2020 fiscal year.

**Recommend:** Individual independent of the STAC submission process review this document on a semi-annual basis.

**Person Responsible for Corrective Action:** Business Administrator & Special Ed Admin

**Corrective Action:** To review, semi-annually, the EFH-670 summary report for the 4408/4201 STAC approval and verify costs and state aid payments. To update / correct any issues and to request full payment for the 2019-2020 fiscal year.

**Anticipated Completion Date:** December 31, 2020