

**LYNDONVILLE CENTRAL SCHOOL DISTRICT  
CORRECTIVE ACTION PLAN  
Year Ending June 30, 2019**

**PRIOR YEAR (2017-18) 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, 2020

**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:** November 13, 2019

## **CURRENT YEAR (2018-19) DEFICIENCIES IN INTERNAL CONTROL:**

### **Purchasing:**

**Finding:** Examination of cash disbursements showed that the threshold for vendor quotes used in the purchasing process exceeds the amount specified in the regulation.

**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:** December 31, 2019

### **Receipts:**

**Finding:** During the course of our examination, noted one instance in which a ticket reconciliation for admission to a musical event was not available for review.

**Recommend:** All ticket reconciliations be prepared for admissions which reconcile the number of tickets sold for the event to actual cash received.

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

**Corrective Action:** Prior to the activity of this type, to require Business Administrator to sign-off on the requirements and process. When the activity is completed, to require the Business Administrator to review and sign-off to ensure that the process was followed including the required reconciliation of ticket sales.

**Anticipated Completion Date:** November 13, 2019

## **Payroll:**

**Finding:** Examination revealed that the AVID tutor rate was not approved by the Board of Education.

**Recommend:** All pay rates be Board approved before payment is made.

**Person Responsible for Corrective Action:** Business Administrator & Administrative Secretary to the Business Office.

**Corrective Action:** Ensure that all pay rates are submitted to the Board of Education(B.O.E.) prior to payments being made for approval.

Note: This one rate was overlooked as all other rates were successfully submitted to the B.O.E. for approval.

**Anticipated Completion Date:** November 13, 2019

## **Self Assessment:**

**Finding:** 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 to 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 & Team

### **Corrective Action:**

***First:*** Review written procedures and update them for any changes or current risks.

***Second:*** Identify what procedures for other significant areas that are not documented. Develop a prioritization list.

***Third:*** Begin to work through the prioritization list to develop needed written procedures.

**Anticipated Completion Date:** Complete first three by June 30<sup>th</sup>, 2020