

CORRECTIVE ACTION PLAN (CAP) TO FISCAL YEAR END JUNE 30, 2017 CURRENT YEAR  
FINDINGS AND RECOMMENDATIONS

Corrective action plan components will be managed by Kathleen Acker, Assistant Superintendent for Finance and Management Services. All actions have been completed as of June 2018. Unless otherwise noted

**Internal Audit Objective and Procedures Payroll Bank Account Reconciliations**

- The auditor noted that the monthly reconciliations are not reviewed by a person independent of the payroll function.

*CAP: Management agrees and has changed procedures to ensure that the monthly reconciliations are now reviewed by a person independent of the payroll function.*

**Procedures as pertains to Reimbursement Claims**

- The auditor noted that when the Dine Central source document for the October 2016 New York State claim was compared to the Nutrikids generated month end October report there was a discrepancy in the number of Free and Reduced meals.

*CAP: It was already identified by management (December 2016) that the claims report generated by Dine Central may not be as current as the Nutrikids report. Based on this information a reconciliation process was put into place. Subsequent months have been in agreement without exception. Management became aware of this prior to the audit and had already put a reconciliation process.*

**Procedures as pertains to Annual Program Requirements**

- Sometime between June and August, the District is required to produce and distribute a *Public Announcement* including both free and reduced-price scale, to the Newspaper, One-Stop Employment Center and large area employers contemplating layoffs. The District is required to keep on file a copy of the Public Announcement, the date and where it was sent. For the 2016 – 2017 school year, the auditors noted that the Public Announcement was sent to the One-Stop Employment Center in Hauppauge, but was not published in the local newspaper.

*CAP: This was an oversight in all years prior, the release was in fact published. Management agrees that this human error took place and has developed safeguard procedures to ensure this requirement is completed annually.*

- At or near the beginning of the school year, the District is required to "complete Civil Rights training and retain the Civil Rights PowerPoint presentation and record of the annual training which includes a sign-in sheet, the date, location and who provided the training." (The presentation is made available on the Child Nutrition Knowledge Center (CNKC) website.). The auditors noted that the training was performed via a PowerPoint from the New York State Child Nutrition website. The PowerPoint and a memo were circulated and the employees signed that they have reviewed and

understand the contents of the presentation. This publication was only available in English and there was no specific trainer assigned to oversee.

***CAP:** New York State recently completed an Administrative review and there were no findings with the training format. Management is in agreement that PowerPoint was only available in a single language. Since the current format does not ensure that all employees understand the content there will be a "live" presentation component in multiple languages added to the training.*

- Suggested to be performed between October and January, all SFA's with multiple sites, need to conduct a "self-review summary in each building, for both the breakfast program and the lunch program, scheduling follow up reviews within 45 days for any sites with critical problems. Complete and keep records on file. It was noted that self-reviews in 16-17 were performed by the SFA within the suggested time frame, however, part 2 of the review form was not used/completed.

***CAP:** Management had identified this prior to the audit and corrected this in September 2017. All 2017 – 2018, reviews were conducted using the On-site School Self Review Form 2 as well as the 2017 -2018 Child Nutrition Onsite Review form.*

#### **Internal Audit Objective and Procedures for Capital Projects – Availability of State Aid**

- The auditors noted that the District's Administrative Regulations with regard to Procurement Guidelines 5410R.1 (adopted October 25, 2010) reflects outdated bidding thresholds. Competitive bidding thresholds were increased by New York State in 2014 to \$35,000 for public works and \$20,000 for purchase contracts. 5410R.1 reflects \$20,000 and \$10,000 respectively. Administrative Regulation 5420R Competitive Purchasing of Goods and Services also reflects the old thresholds.
- ***CAP:** Management had identified this prior to the audit findings. The updated policies are in draft format and submitted for policy committee review and if approved will be presented to the Board of Education for approval and adoption.*