

Ichabod Crane CSD EXTERNAL AUDIT: CORRECTIVE ACTION PLAN FOR 2019-20

Audit Period	Financial Area	Internal Auditor Findings	ICC Response to Auditor Findings	ICC Corrective Action Plan	Target Complete Date	Status	Contact
Prior Year #1	6/30/2019 Deficit balance of \$24,141 in the School Lunch Fund. As of 6/30/19, the deficit has decreased to \$9,215	Continue to evaluate pricing and costs within the fund and support from the General Fund	District previously determined that pricing alone will not eliminate deficit. The District has implemented the following 3 approaches to reduce the Lunch Fund debt: 1. District has developed a multi-year plan to restructure the health insurance benefits of food service employees by absorbing this expense into the General Fund. 2. Careful evaluation of purchasing, inventory and pricing. 3. Increased focus on the collection of outstanding student lunch accounts. All three items will contribute to the elimination of General Fund transfers and reduce the Lunch Fund deficit to zero within the next 1-2 years. This was the 6th consecutive year that the deficit dropped. Since implementation the deficit has dropped \$175,000 of deficit.	6/30/2021 plan will be re-evaluated	On-going	In-Progress	Michael Brennan, Business Manager and District's Food Service Manager
Prior Year #2	Unassigned General Fund Balance	The District's unassigned fund balance exceeded 4% as per NYS regulations.	The District intentionally left an additional fund balance over the 4% with the express intent of using such funds as part of the \$27M. capital project that was passed 12/12/18. The resolution included the district spending \$1M. of fund balance on the capital project.	The additional \$170K will be applied to Phase 1 of the Capital Project and spent completely before the end of 20-21.	6/30/2021	In-Progress	Michael Brennan, Business Manager and District's Treasurer
Current Year #1	Disbursement Testing	During testing of disbursements, auditors discovered 2 purchase orders dated after the invoice	District does have procedures and protocols in place in order to follow the proper purchasing processes. In situations such as this, the Claims Auditor will note the exception on monthly report and the Purchasing Agent will follow up with employee who did not follow the proper procedures.	District holds annual training for an employee that has requisition rights in the purchasing system. The training is held by the district's internal auditor.	11/15/2020	In-Progress	Michael Brennan, Business Manager plus District's Claim and Internal Auditors

Suzanne Guntlow, Superintendent of Schools


Date
 10/8/20