

Corrective Action Plan for the year ended June 30, 2021

General Fund

1. When we were preparing the school district budget for 2021-22, we were still unsure what our State Aid amount would be knowing that the state and the country was still struggling with COVID. The district had incurred more expenditures for masks, cleaning supplies and other things to keep students socially distant in school. We also incurred additional personnel costs for teachers to teach all of our students even if they remained remote for the entire school year. Most districts were worried about all of these additional costs and we were still unsure about the Federal Stimulus money being allotted to each district and what New York State would be able to fund in State Aid. Our fund balance amount is over the 4% cap but it has remained consistent with the prior year. We were also able to use some of the funds available to fund a capital reserve, a TRS reserve and increase the reserves for insurance and tax certioraris.
2. There were a few accounts that had negative budget amounts after we posted adjusting journal entries to prepare for the annual audit.

School Lunch Fund

1. After ending inventory was taken, we posted the decrease in inventory directly to the fund balance account instead of to an expenditure account. The auditors explained why the expenditure account had to be used and we made a note for next year's audit to post the journal entry to the correct account.

Federal Fund

1. The district uses an outside vendor to prepare all STAC forms for costs we incur for special education students. During the audit, we discovered that our vendor mistakenly put costs on a STAC form for a student that were not incurred for that student and there were costs that were not included in a STAC that should have been. We spoke to the vendor at length and they have revised their process to avoid this type of error in the future. We also worked out a reconciliation process that our senior account clerk will do to ensure that costs are properly submitted in a timely manner.

Extra Classroom Activity Fund

1. Student general organization account has been used in prior years to help other activity accounts pay for things that they did not have enough funds to pay. Several years ago this account helped the Yearbook account pay for additional yearbooks. The new club advisors for the yearbook at the high school have corrected the issue going forward. We will prepare an entry to transfer cash from the general fund to the extra classroom fund to resolve this negative balance going forward.

Cash Disbursements

1. We discovered that some departments had placed orders before the purchase order was either approved or created. We are working with staff responsible for placing purchase orders to remind them that a purchase order must be entered and approved prior to placing an order.