



## GERMANTOWN CENTRAL SCHOOL DISTRICT

123 Main Street, Germantown, New York 12526-5338

10/30/17

Office of the New York State Comptroller

Division of Local Government Services & Economic Development

Data Management Unit, 12th Floor

110 State St.

Albany, NY 12236

Re: Corrective Action Plan – 2016/2017 Audit

Dear Sir/Madame:

This is in response to the nonmaterial findings and evaluations contained in the audit of Germantown Central School District for the year ended June 30, 2017.

The following is a description of the nonmaterial findings and the district's response:

1. **Noncompliance with New York State Real Property Tax Law**

**Prior Condition:** The School District's unrestricted fund balance exceeds the 4% allowable limit.



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**Status:** The School District reduced unrestricted fund balance to the allowable limit and is now in compliance with the New York State Property Tax Law.

## 2. **Journal Entries**

**Condition:** During performance of our audit procedures, we noted that journal entries posted by the district treasurer were not reviewed or approved by another, appropriate individual.

**Recommendation:** We recommend that the superintendent review and approve all journal entries posted on a monthly basis.

**Status:** We agree with the recommendation and the district has since implemented procedures whereby the district treasurer signs off as preparer and the journal entries are then reviewed and approved by the district superintendent.

## 3. **Bank Reconciliations:**

**Condition:** During performance of our audit procedures, we noted that the monthly bank reconciliations prepared by the district treasurer were not reviewed or approved by another, appropriate individual.

**Recommendation:** We recommend that the monthly bank reconciliation be reviewed and approved by the superintendent on a monthly basis.



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**Status:** We agree with the recommendation and the district has since implemented whereby the monthly bank reconciliations are now reviewed and approved by the district superintendent.

#### 4. **Extraclassroom Activities**

**Condition:** Our audit procedures included testing a sample of 25 extraclassroom activity cash receipts. We noted in general, a lack of documentation, including a reconciliation of the source of revenue, supporting the receipts. Our audit procedures included testing a sample of 25 extraclassroom activity cash disbursements. As with cash receipts noted above, we noted a general lack of a reconciliation for the purchase of goods to be used for fundraising events, three disbursements that did not have supporting documentation, and one instance where the Chief Faculty Counselor's signature was missing.

**Recommendation:** We recommend that district implement procedures detailing when a reconciliation supporting both disbursements and receipts is required. This reconciliation should be prepared by the students and reviewed by faculty advisor. In addition, the district should consider holding a training session to help advisors understand the importance of their duties and to help better provide guidance to the students involved in the Extraclassroom clubs.



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**Status:** The district will review its procedures to ensure that all clubs are following proper requirements as outline in the NYS Pamhlet#2.

Please feel free to contact me if you have any questions or concerns with respect to his response.

Sincerely,

Jonathan Boehme

District Treasurer

Germantown Central School District

518.537.6281 X307

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