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Superintendent of Schools



Baldwinsville
Central School District
Achieving our full potential together.

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October 21, 2019

Corrective Action Plan

In Response to Management Letter for June 30, 2019 Financials

Prior Year Deficiencies Pending Corrective Action:

Claims Auditor –

It is our understanding that the construction manager hired by the District manages all change orders and ensures they have the proper approvals. However, for an additional control feature, we recommend the claims auditor periodically review change orders to ensure the process is working.

Claims Auditor – Management Response

Claims Auditor has started to review change orders in 2019-20.

Library –

During the course of our examination, we noted that the purchasing policy for the Library does not address quoting thresholds.

In an effort to conform with General Municipal Law, we recommend the Administration review this policy and create a regulation that establishes a range for obtaining quotations.

Library – Management Response

In 2018 the District approached the Baldwinsville Public Library leadership about using the District's purchasing limits. This was brought to the Library Board and that Board refused to implement the District's purchasing limits.

Current Year Deficiency in Internal Control:

Payroll –

As part of our payroll examination, we reviewed the payroll documentation maintained for the extra pay item identified in the contracts. During this examination, we noted one instance where there was no

documentation on file to support an individual receiving extra pay for fifteen credit hours. In addition, we noted one instance in which the hourly rate paid was lower than what the salary notice indicated.

We recommend the District review their procedures to ensure appropriate documentation is obtained and maintained on file prior to employees receiving the extra pay benefit. In addition, we recommend procedures be developed to ensure rates are in agreement with the salary notices after they are initially entered into the system.

Payroll - Management Response

In both of the stated instances the errors were corrected at the time of the audit. In the instance of the teacher whose graduate hours were overstated - a settlement was reached with the NYSUT local union leadership. In the second instance the underpayment was calculated and the hourly employee received a check for the value of the underpayment. Going forward the District will continue to monitor the extra pay provided to our employees. The District is working with OCM BOCES and a software vendor that will lead to an electronic upload of employee data to our WinCap accounting system. This should enhance our ability to monitor the extra pay rates.

Other items:

The following items are not considered to be deficiencies in internal control, however, we consider them other items which we would like to communicate to you as follows:

Cyber Risk Management –

The District's IT personnel routinely assesses cyber risk as part of their normal operating procedures. We recommend the District continue to document their cyber risk assessment process in writing which should include the risk assessment process, the frequency of the risk assessment, how findings are to be communicated to the appropriate level of management, and how the process will be monitored.

Cyber Risk - Management Response

Our internal auditors in 2018-19 performed a cyber risk assessment. The result of this were several changes in how the District manages this risk. We are working with OCMBOCES and our vendors to enhance our ability to deal with this risk. We also embarked on a mandatory series of cyber risk training for all of our employees who access our network. The District views this area as one where we have to have continuous improvement to stay ahead of cyber threats.

Federal Programs –

As a result of recent federal program changes, the District documents various Federal program procedures through written questionnaires prepared by the Program Coordinators and the Business Office. Recent guidance from the New York State Education Department suggests Federal recipients should enhance their written documentation into a written procedural manual that is more detailed and specific to each federal program compliance requirement.

Federal Program - Management Response

The District will continue to monitor changes in federal regulations involving our grants to ensure compliance. The District leadership responsible for these programs regularly attend training in this area. The District also has a fairly straight forward approach to federal grant programs. In the case of Title 1 and the various Special Education grants we use these to pay base salaries for employees. In the area of training and food service oriented grants there is a bit more complexity. However, the training grant is a small dollar value and is not difficult to manage. Food service has its own Fund in our accounting system – this is subject to regular review. Our food service director is a state-wide leader in the school food service community. As such he is aware of any upcoming changes before the rest of his associates.