



2020-2021 Internal Audit Corrective Action Plan  
May 3, 2021

The 2020-21 fiscal year internal audit was performed by Bonadio & Co LLC for the Baldwinsville Central School District and focused on Capital assets. The audit findings are summarized below and can be reviewed in detail in the full audit reports that are also attached. The items listed below were found as opportunities for strengthening internal controls and operating efficiency. The audit committee reviewed the full reports on April 19, 2021 and discussed corrective action steps as noted below in italics. In addition we were also provided with a report that reviewed the total cost of repairs/maintenance in relation to total miles on the school bus fleet per mile in comparison to industry norms.

Internal audit observations and corrective action:

1. & 2. Assets account ledger has variances between OCM Asset account ledger and issued financial statements.
  - a. *Treasurer will perform annual reconciliation during year end processes and investigate any issues that may need to be adjusted.*
  - b. *This reconciliation process will include reviewing all capital projects to ensure they reconcile as well. This will be done to ensure previous projects are reconciled as well as be done while we are completing projects in the future to ensure this remains current.*
  - c. *This will be completed at least annually and completed by June 30th of each year.*
3. Construction in process recorded needs to reflect expenditures incurred on future depreciable assets not yet completed.
  - a. *Capital project expenditures will be tracked in Wincap*
  - b. *Non-depreciable assets will be noted in fixed asset detail and the financial statements and be reconciled at minimum annually after the external audit is complete.*
  - c. *This has been implemented and will continue on at least an annual basis.*
4. Capital projects have resulted in both being over budget and being under budget.
  - a. *Tracking the project in the financial software will allow us to review the project status on a regular basis in comparison to the original budgets. This will provide an opportunity to reconcile projects and complete closing entries timely. The District has implemented this process.*
5. Capital Outlay Projects
  - a. *Construction in progress has been noted in the 2019-20 school year and we will continue to do this.*

6. Tracking Capital in Wincap

- a. *This process has been implemented and we will continue to work on the details as we move forward.*

Transportation cost per mile data resulted in a discussion with the audit committee to further explore a full Transportation efficiency study for several reasons. One reason being the transportation department just relocated to a new state of the art transportation facility. The District has also been discussing transportation staffing due to an anticipated retirement in the office. The department could benefit from a review of the fleet replacement plan and the last transportation study focused on workflow and was completed in 2009.

The District appreciates the opportunity to work with its auditors to become more efficient and will continue to make improvements in these processes.