

District Corrective Action Plan for June 30, 2017 Annual Financial Audit

The annual financial audit was conducted during the month of August 2017 and the annual financial report was accepted by the Board of Education on October 25, 2017. Below are the responses to the statements of the Addendum A of the Communication of Internal Control Matters Identified in the Audit to Those Charged with Governance and Management report that was previously filed with the New York State Office of the State Comptroller and the New York State Department of Education on September 27, 2017.

Extraclassroom Activities

Cash Receipts

The auditors noted two cash receipts selected for testing at the LMK Middle School were not deposited within three business days of receipt.

Corrective Action Plan:

The District has communicated and will continue to stress the importance of ensuring that all cash is deposited within 72 business hours of receipt and will make every effort to adhere to this timeframe.

Special Purpose Fund

The auditors noted that 12 accounts, with aggregate balances at June 30, 2017 of approximately \$23,500, did not have any financial activity during the year.

Corrective Action Plan:

The District will perform a review of all inactive accounts and obtain Board approval to close them out if deemed appropriate. Some of the scholarship accounts had no applicants during the 2016-17 school year, so the inactivity is outside of the District's control.

Capital Projects Fund

The auditors noted that there are numerous capital projects that have been inactive for periods in excess of one year, with aggregate remaining balances of approximately \$840,000.

Corrective Action Plan:

Prior to the audit, the District had identified a list of projects to be closed during the next fiscal year.