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MEMO

TO: Board of Education
FROM: Katy Buzzetti, School Business Administrator
DATE: September 19, 2019
RE: Corrective Action Plan – Financial Statements

Below is the Corrective Action Plan for the Audited Financial Statements for the year ending June 30, 2019.

Current Year Deficiencies in Internal Controls:

During our examination over the district payroll procedures we noted eleven instances in which the salary notices maintained by the district did not have the electronic acknowledgement by the district employee.

Going forward, the Human Resources office will obtain a list of employees who have failed to electronically acknowledge their salary notices after being directed to do so and send periodic reminders to who have not followed through. If an employee has not responded after the second reminder, the Director of Human Resources will notify the Association representing the delinquent employee in an effort to urge compliance.

Other Items for Consideration:

- 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 requirements.

The School Business Administrator will work with the Program Coordinators and GST BOCES Grant Services to obtain guidance from New York State and develop this procedure manual.

- THE AICPA Center for Audit Quality recently issued a cyber security risk management document discussing cyber threats that face both public and private entities. 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.

The Director of Technology will be charged with creating the process in developing the above. Periodic updates will be provided to district administration and appropriate stakeholders as this documentation is being developed.

Thank you.

C: Dr. Thomas J. Douglas, Superintendent of Schools
Thomas Zuber, CPA, Partner of Raymond F. Wager, CPA, P.C.
Linda Klievoneit, District Treasurer
Julie Kephart, Internal Auditor
Scott Arnold, CBO Controller
Ann Pirozzolo, CBO Accounting Manager