

Waterford-Halfmoon Union Free School District
Corrective Action Plan for the Extra classroom Activity Fund Financial Statements
for the Year Ending June 30, 2020

1: Club Ledgers

Finding: During our audit procedures, we noted that there were 2 out of 16 instances for receipts and 5 out of 24 instances for disbursements where student ledgers did not have the transaction listed in the ledger.

Corrective Action: The District will institute a review process designed to ensure students maintain accurate and complete club ledgers.

2: Cash Receipts

Finding: The Extra-classroom Activity Clubs receive funds from a variety of sources, including donations, ticket sales, field trips, event admissions and product sales. However controls over these receipts are limited.

Corrective Action: The District will ensure clubs issue pre-numbered receipts when no other adequate evidence of receipt exists and will institute a process whereby these receipts are reconciled with cash receipts recorded in student ledgers.

3: Cash Disbursements

Finding: During our audit, we noted one instance in which supporting documentation to corroborate the disbursement request, such as an invoice or receipt, was not provided.

Corrective Action: The Central Treasurer will not process payment requests unless adequate supporting documentation is attached.

4: Segregation of Duties

Finding: During our procedures, we noted that the authority to spend funds and the custody of the funds lies with the same individual. There is a reconciliation of ledger balance twice a year between the Club and the Central Treasurer, however the Central Treasurer's involvement is not sufficient as a compensating control.

Corrective Action: The Central Treasurer has no authority to approve funds.

Waterford-Halfmoon Union Free School District
Corrective Action Plan for the Extra classroom Activity Fund Financial Statements
for the Year Ending June 30, 2020

5: Inactive Club Listing

Finding: Our audit procedures identified that Global Travel Club has been inactive for more than two years and still carries a cash balance.

Corrective Action: The District will establish a policy on funds from inactive clubs which includes procedures for transferring remaining funds to other club accounts. The District will follow this process for the Global Travel Club.

6: Timeliness of Deposits

Finding: During our procedures, we noted that 10 out of the 16 cash receipts tested were not deposited in the bank within a reasonable amount of time. NYSED guidance indicates 5 days as a reasonable amount of time.

Corrective Action: The District would like to note that due to the COVID-19 pandemic, many staff, including faculty advisors and the central treasurer, were not working in the building regularly. This caused some deposit delays. The District has now instituted a process whereby the central treasurer makes deposits no more than 10 days after receiving collections from faculty advisors.
