

CARMEL CENTRAL SCHOOL DISTRICT
81 South Street, P.O. Box 296
Patterson, New York 12563

**Carmel Central School District Corrective Action Plan for
Internal Control Cycle Audit of the Extraclassroom Activity Fund**

Location: Carmel Central School District

Area: Policy Review

Auditor's Finding:

During our review of the District's policies related to the Extraclassroom Activity Funds it was noted that several of the policies have not been reviewed or updated for many years.

Auditor's Recommendation:

We recommend that all of the District's Extraclassroom Activity Funds related policies be reviewed on an annual basis and updated where necessary.

District's Corrective Action:

During the 2021-2022 school year the District assembled a Policy Committee to begin reviewing all policies, many of which were outdated and had not been reviewed in at least ten years. This work has continued through the 2022-2023 school year and the 2023-2024 school year. The 6000 series of policies related to Fiscal Management and the 5000 series of policies related to Students will be included in these reviews.

Implementation Date:

July 1, 2024 through June 30, 2025

Persons Responsible for Implementation:

Carmel Central School District Board of Education
Carmel Central School District Board of Education Policy Committee
Superintendent of Schools
Assistant Superintendent for Business
Assistant Business Manager

Location: George Fischer Middle School

Area: Club Records

Auditor's Finding:

We found that there were clubs that did not keep their own accounting records to compare to the Extraclassroom Activity Treasurer's books and records.

Auditor's Recommendation:

We recommend that each club should designate a student officer to keep their own books and records and regularly reconcile them to the Extraclassroom Activity Treasurer's books and records.

District's Corrective Action:

Building Administration will collaborate with the various clubs to ensure that proper leadership and student officers are maintaining accurate records that will be reconciled with the Treasurer's books and records. As a reference guide for proper practices, all persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

July 1, 2024 through June 30, 2025

Persons Responsible for Implementation:

George Fischer Middle School Principal
Club Advisors
Student Officers
Student Activities Treasurer
Central Treasurer
Assistant Business Manager
Assistant Superintendent for Business

Area: Sales Tax

Auditor's Finding:

During our review of the cash disbursements, we found instances when a club purchased items for resale and did not provide the vendor with the Resale Certificate and therefore, paid sales tax on the purchase of items intended for resale.

Auditor's Recommendation:

We recommend all advisors use the Resale Certificate to make purchases and charge the appropriate sales tax for items that are considered taxable sales under New York State law.

District's Corrective Action:

Club advisors, student club officers, student activities treasurers will be provided with retraining on the utilization of Resale Certificates and taxable sale items under New York State law. As a reference guide for proper practices, all persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

July 1, 2024 through June 30, 2025

Persons Responsible for Implementation:

George Fischer Middle School Principal
Club Advisors
Student Officers
Student Activities Treasurer
Central Treasurer
Assistant Business Manager
Assistant Superintendent for Business

Area: Cash Disbursements

Auditor's Finding:

During our review of cash disbursements, we found a debit card was being used for certain payments.

Auditor's Recommendation:

We recommend that a form be used to document what is being purchased and who is authorizing the request for payment prior to the usage of the debit card. We also recommend that the same procedures being followed for a check request be followed when using the debit card.

District's Corrective Action:

Club advisors will be discouraged from utilizing debit cards as forms of payment. However, if necessary, a form will be created to document the use with proper authorization. A similar form will be created for check requests. As a reference guide for proper practices, all persons responsible for implementation will be

provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

July 1, 2024 through June 30, 2025

Persons Responsible for Implementation:

George Fischer Middle School Principal
Club Advisors
Student Officers
Student Activities Treasurer
Central Treasurer
Assistant Business Manager
Assistant Superintendent for Business

Area: Profit Loss Statements

Auditor's Finding:

During our review of fundraising activities, we found that there were receipts for fundraising activities that did not have a profit and lost statement attached.

Auditor's Recommendation:

We recommend profit and lost statements are prepared and attached to all cash receipts for fundraising activities.

District's Corrective Action:

Club advisors, student club officers, student activities treasurers will be provided with retraining on the utilization of profit loss statements. As a reference guide for proper practices, all persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

July 1, 2024 through June 30, 2025

Persons Responsible for Implementation:

George Fischer Middle School Principal
Club Advisors
Student Officers

Student Activities Treasurer
Central Treasurer
Assistant Business Manager
Assistant Superintendent for Business

Area: Bank Reconciliations

Auditor's Finding:

During our review of the records of the Middle School, we found that bank reconciliations had not yet been prepared for the 23-24 school year.

Auditor's Recommendation:

We recommend that bank reconciliations be performed on a timely basis for each month during the school year.

District's Corrective Action:

Building administration and the central treasurer will provide oversight and ensure that student activities treasurers are preparing monthly bank reconciliations. As a reference guide for proper practices, all persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

Immediately through June 30, 2024
July 1, 2024 through June 30, 2025

Persons Responsible for Implementation:

George Fischer Middle School Principal
George Fischer Middle School Assistant Principal
Central Treasurer
Assistant Business Manager
Assistant Superintendent for Business

Area: Student Officers

Auditor's Finding:

During our review of the listing of student officers for each club, we found that there is not a list of student officers kept by the Central Treasurer to compare to the form approvals.

Auditor's Recommendation:

We recommend the Central Treasurer keep a summary sheet of all student officers with their names, titles, and signatures to cross reference to approvals on various forms.

District's Corrective Action:

Building administration and the student activities treasurer will compile information on each club, inclusive of (but not limited to) student membership lists, attendance at meetings and events, meeting minutes, etc. Building administration will provide oversight on club activities. As a reference guide for proper practices, all persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

July 1, 2024 through June 30, 2025

Persons Responsible for Implementation:

George Fischer Middle School Principal
Club Advisors
Student Officers
Student Activities Treasurer
Central Treasurer

Location: Carmel High School

Area: Inactive Clubs

Auditor's Finding:

During our review of the Extraclassroom Activity Funds summary schedule, we found there to be clubs listed that did not have activity during the year ended June 30, 2023 or during the current fiscal year.

Auditor's Recommendation:

We recommend the district review these clubs to determine if they should be considered inactive clubs.

District's Corrective Action:

Building Administration will collaborate with club advisors, student activity treasurers and the central treasurer and recommend that inactive clubs be dissolved. Any clubs that are inactive but remain on the summary schedule will require a written rationale as to why. As per Board of Education policy 5200 "each school will develop definite written guidelines and procedures regulating the creation, organization, administration and dissolution of student activity programs." As a reference guide for proper practices, all

persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

July 1, 2024 through June 30, 2025

Persons Responsible for Implementation:

Carmel Central School District Board of Education
Carmel Central School District Board of Education Policy Committee
Superintendent of Schools
Assistant Superintendent for Business
Assistant Business Manager
Carmel High School Principal
Club Advisors
Student Officers
Student Activities Treasurer
Central Treasurer

Area: Cash Receipts

Auditor's Finding:

During our review of cash receipts, we found instances in which the Student Officer signature was not available for approval of the club deposit receipt form.

Auditor's Recommendation:

We recommend that a Student Officer sign off on all club deposit receipt forms.

District's Corrective Action:

Club advisors, student club officers, and student activities treasurers will be provided with retraining on the importance of proper documentation and signatures for accounts. As a reference guide for proper practices, all persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

July 1, 2024 through June 30, 2025

Persons Responsible for Implementation:

Club Advisors
Student Club Officers

Carmel High School Principal
Student Activities Treasurer
Central Treasurer
Assistant Business Manager
Assistant Superintendent for Business

Area: Cash Receipts

Auditor's Finding:

During our review of cash receipts, we found instances in which funds were held for long periods of time before they were deposited into the bank.

Auditor's Recommendation:

We recommend that all funds received by each club be remitted to the Central Treasurer and deposited into the bank on a timely basis. The recommended time is within 72 hours of receiving the funds.

District's Corrective Action:

Club advisors, student club officers, and student activities treasurers will be provided with retraining on the importance of depositing funds in a timely manner. As a reference guide for proper practices, all persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

July 1, 2024 through June 30, 2025

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Carmel High School Principal
Club Advisors
Student Club Officers
Student Activities Treasurer
Central Treasurer
Assistant Business Manager
Assistant Superintendent for Business

Area: Profit Loss Statements

Auditor's Finding:

During our review of fundraising activities to ensure profit and loss statements are being filled out for each individual fundraiser, we found that there were receipts for fundraising activities that did not have a profit and loss statement attached.

Auditor's Recommendation:

We recommend profit and loss statements are prepared and attached to all cash receipts for fundraising activities.

District's Corrective Action:

Club advisors, student club officers, student activities treasurers will be provided with retraining on the utilization of profit loss statements. As a reference guide for proper practices, all persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

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Student Officers
Student Activities Treasurer
Central Treasurer
Assistant Business Manager
Assistant Superintendent for Business

Area: Cash Disbursements

Auditor's Finding:

During our review of cash disbursements, we found that there was a reimbursement claim put in by a club advisor from a prior year during the current year.

Auditor's Recommendation:

We recommend that all reimbursement claims be submitted in a timely manner and all for the current year before the fiscal year end.

District's Corrective Action:

Club advisors, student club officers, student activities treasurers will be provided with retraining on the proper utilization cash disbursements. Reimbursements will be required to be submitted on a monthly basis. As a reference guide for proper practices, all persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

July 1, 2024 through June 30, 2025

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During our review of the listing of student officers for each club, we found that there is not a list of student officers kept by the Central Treasurer to compare to the form approvals.

Auditor's Recommendation:

We recommend the Central Treasurer keep a summary sheet of all student officers with their names, titles, and signatures to cross reference to approvals on various forms.

District's Corrective Action:

Building administration and the student activities treasurer will compile information on each club, inclusive of (but not limited to) student officers, student membership lists, attendance at meetings and events, meeting minutes, etc. Building administration will provide oversight on club activities. As a reference guide for proper practices, all persons responsible for implementation will be provided with a copy of The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds published by NYS.

Implementation Date:

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Persons Responsible for Implementation:

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