

LaFayette Central School District

Four Schools, Three Buildings, Two Nations, One Goal: Excellence!

LaFayette Jr./Sr. High School
3122 Route 11 North
LaFayette, NY 13084

Big Picture School
3122 Route 11 North
LaFayette, NY 13084

C. Grant Grimshaw Elementary
5957 Route 20 West
LaFayette, NY 13084

Onondaga Nation School
3285 State Route 11A
Nedrow, NY 13120

TO: Board of Education
Jeremy Belfield, Superintendent

FROM: Laurie Holtsbery, School Business Administrator

RE: Corrective Action Plan-Extraclassroom Activity Funds
2021-22

DATE: January 6, 2023

In connection with the report Communicating Internal Control Related Matters Identified in an Audit received from Mengel Metzger Barr & Co. LLP, for the audit of the Extraclassroom Activity Funds (ECA) for the fiscal year ended June 30, 2022, the following Corrective Action Plan will be implemented.

Profit and Loss Statements:

Observation: The District's ECA audit revealed that Profit and Loss statements were not prepared for fundraising activities at the elementary schools, and the Student Treasurer did not sign the statements at the high school. Also, there was no standard profit and loss document for any of the schools.

Corrective Action Plan: The Central Treasurers will develop a standard profit and loss statement. These statements will be prepared and signed by Student Treasurers, with the Faculty Advisor's support, for each fund-raising activity, and these statements will be submitted to the Central Treasurer to be retained for a year-end review. This statement will also be traceable to the general ledger maintained by the Central Treasurer.

Student Involvement:

Observation: The District's ECA audit revealed that multiple accounts at the elementary schools did not have an appointed student treasurer or faculty advisor. In addition, some accounts did not meet the criteria to be an extraclassroom activity.

Corrective Action Plan: The Central Treasurer at the two elementary schools will appoint a Student Treasurer and Faculty Advisor to all clubs. Also, administration will review all activities to ensure they meet the criteria as an extraclassroom activity account.

Deposits:

Observation: The District's ECA audit revealed instances of untimely deposits at the high school and one elementary school.

Corrective Action Plan: Internal accounting procedures for cash receipts will be adjusted and future cash receipts to the Central Treasurer will be deposited in a more timely manner.

Mission: *At LaFayette, we put students first. Our mission is to educate, honor, and develop students to have self-respect, a commitment to the community, and a passion for excellence.*

Vision: *Inspire, empower, and prepare all students to achieve excellence.*

Student Ledgers

Observation: The District's ECA audit revealed that the Student Treasurers do not maintain separate ledgers at the High School and Grimshaw Elementary School.

Corrective Action Plan: Student Treasurers, together with Faculty Advisors, will maintain a separate set of financial records for their organization, and these records will be compared for accuracy with those maintained by the Central Treasurer.

Inactive Clubs

Observation: The District's ECA audit revealed that the High School and Onondaga Nation school had clubs that were financially inactive during the 2021-22 fiscal year.

Corrective action: The clubs listed as inactive in the audit report were due to the limitations of the pandemic. The Onondaga Nation was closed to the public, and activities outside of the school were not allowed. At the high school, the clubs noted are typically financially active at local events, such as the Apple Festival, that were canceled during the 2021-22 school year. These clubs have resumed activities and are now financially active. The status of all clubs will be reviewed, and if deemed financially inactive that is not the result of outside limitations, they will be closed in accordance with the Board of Education Policy.

Onondaga Nation School:

Disbursements

Observation: The District's ECA audit revealed one instance, the payment order did not have the Faculty Advisor or Student Treasurer's signature. Also, in one instance, a club did not have original supporting documentation or receipt for a payment order.

Corrective Action: Procedures will be reviewed to ensure all documentation and required signatures are included before payment.

Grimshaw Elementary School

Deficit Balance

Observation: The District's ECA audit revealed that one account had a deficit cash balance

Corrective Action: The club referred to in the audit has been corrected and no longer has a deficit cash balance.

High School

Sales Tax

Observation: The District's ECA audit revealed that sales tax was remitted on the total profit and not the total gross sales

Corrective Action: The Central Treasurer will remit sales tax to New York State for any taxable event or items the club will sell based on the gross sales. This will be implemented immediately.

All corrective actions will be implemented by January 31, 2023, unless otherwise noted. We are scheduling a training provided to all advisors and Student Treasurers during the month of February 2023.