

## Audit Comments and Recommendations (19-20 and beyond)

<b>NEW RECOMMENDATIONS FOR 19-20</b>	
	<b>Completed</b>
<b>ODE guidance for remote attendance allows for latitudes and gray areas that may be different between different teachers, schools, and districts. The District should write clear and concise rules on attendance that can be easily replicated and followed by staff and by others. This issue could have state-wide impacts on District revenue allocations since Districts will have more latitude in determining attendance for each student</b>	
<b>The District should be constantly reviewing their covid19 policies and procedures as well as insurance policies to reduce their potential covid 19 related legal liabilities.</b>	
<b>RECOMMENDATIONS FROM PRIOR YEARS (PLEASE LET US KNOW WHICH ONES HAVE BEEN RESOLVED, IF ANY)</b>	
<b>The District should adopt a GASB 54 fund balance policy</b>	
<b>The District should consider a Board monitoring policy that states what the Board does on a routine basis to oversee the District's finances.</b>	
<b>The District should consider documenting their internal controls in writing, these includes general accounting procedures and procedures specifically for federal grants.</b>	
<b>The Briarcliff Pool is carrying a negative fund balance of over \$250k. If the pool has closed, the District should close the fund</b>	
<b>There is currently a bank account listed under the District's EIN that doesn't hold District funds but just employee contributions for various staff parties. Contributions are withheld from employee paychecks on a voluntary basis and fed in to this account. We recommend that the District end this practice and remove themselves from any association with accounts that are not related to District sponsored activities.</b>	<b>In process</b>
<b>We recommend that the District increase their crime coverage under the general liability insurance policy to a minimum of \$500k.</b>	<b>Increased \$250,000</b>
<b>There currently is not a policy requiring IV passwords to be changed periodically. As a best practice, passwords to the accounting software should be changed at least quarterly to limit the risk of passwords being compromised.</b>	<b>X</b>
<b>Passwords do not require special characters. As a best practice, special characters should be used in all passwords to increase their complexity and minimize the risk of them being hacked.</b>	
<b>All Departments should be required to certify, monthly or quarterly, that they have reviewed their financial information. The District should give them a document that describes the following: how to run reports, how to look at backup in Visions, how to look at transactional detail, descriptions of what the budget codes mean, how to see where the department is budget wise and how to ensure they don't go over-budget in any category and what to do if they do go over budget.</b>	

Every few years the District should send out letters to all banks in the area and ask them who is using their EIN to ensure that there aren't any unauthorized bank accounts.	
For the monthly ODE meal claims, the summary meal count sheets should be loaded into Visions.	X
For blanket purchase orders, the value for the PO is \$.01. As a best practice, the District should consider using the budget line item or another estimate for the purchase order. The District should consider applying a de minimus level to where PO's are not needed, like \$1,000. In my experience this makes compliance with a PO system more likely.	X
Many items are ordered without submitting purchase requisitions. A requisition should be approved in advance of all purchases, or, the District should create a formal written policy detailing items that are exempt from that requirement.	X
The District's bank does not currently offer positive pay. The District should consider switching banks or request that their current bank start offering positive pay.	X
The main weakness in the payroll system is that there is very little verification and/or approval done by District employees other than the personnel action forms. The Superintendent and Admin Assistant have access to view reports in IV, but there is currently no formal process in place where anyone verifies pay rates in the system, reviews change logs, or reviews registers for completed payrolls to ensure that people are being paid properly	In process. Time sheets now required.
The District should consider integrating student body funds into Ivisions. Our other clients who have done this has found this to be a more efficient and effective way to control student body monies.	
The principal does not formally review and approve the student body bank recs	
The District should document their controls over the purchasing rules in 2 CFR 200. Which takes effect 7/1/18. The District has one for Child Nutrition this should just be expanded to incorporate all federal purchasing.	X
The District should implement a process where Grant Managers formally review and approve actual expenditures in their grants and sign off on reimbursements before the claims are processed.	

## Recommendation Action Plan

Item	Completion Target
<b>Review all recommendations</b>	February 1, 2021
<b>Initiate Rolling list for completion of each</b>	February 19, 2021
<b>Train/delegate persons responsible</b>	February 26, 2021
<b>Resolve all recommendation</b>	April 15, 2021
<b>Report Audit resolution to the board</b>	April 26, 2021