

CORRECTIVE ACTION PLAN

NAME OF SCHOOL EAST ORANGE SCHOOL DISTRICT

COUNTY ESSEX

TYPE OF AUDIT ANNUAL

DATE OF BOARD MEETING JANUARY 10, 2018


CONTACT PERSON VICTOR R. DEMMING

TELEPHONE NUMBER (862) 233-57300 EXT.28314

<u>RECOMMENDATION NUMBER OR TOPIC</u>	<u>CORRECTIVE ACTION APPROVED BY THE BOARD</u>	<u>METHOD OF IMPEMENTATION</u>	<u>PERSON RESPONSIBLE FOR IMPLEMENTATION</u>	<u>COMPLETION DATE OR IMPLEMENTATION</u>
<u>I FINANCIAL PLANNING, ACCOUNTING AND REPORTING</u> 1. Internal controls must be enhanced to ensure that a procedure for reviewing the health benefits bills is in place.	The Human Resource Department must review board agenda monthly to ensure that terminated employees are immediately removed from the health benefits bills.	The Human Resource Department shall review the board agenda monthly to ensure terminated employees are removed from the health benefit bills immediately following board approval.	Human Resource Department Benefits Coordinator	Effective Immediately


 CHIEF SCHOOL ADMINISTRATOR

DATE


 BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

1/11/2018
 DATE

Cc: County Superintendent

CORRECTIVE ACTION PLAN

NAME OF SCHOOL EAST ORANGE SCHOOL DISTRICT

COUNTY ESSEX

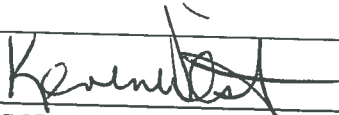
TYPE OF AUDIT ANNUAL

DATE OF BOARD MEETING JANUARY 10, 2018

CONTACT PERSON VICTOR R. DEMMING


TELEPHONE NUMBER (862) 233-57300 EXT.28314

<u>RECOMMENDATION NUMBER OR TOPIC</u>	<u>CORRECTIVE ACTION APPROVED BY THE BOARD</u>	<u>METHOD OF IMPEMENTATION</u>	<u>PERSON RESPONSIBLE FOR IMPLEMENTATION</u>	<u>COMPLETION DATE OR IMPLEMENTATION</u>
<p><u>II FINANCIAL PLANNING, ACCOUNTING AND REPORTING</u></p> <p>2. Internal controls must be enhanced to ensure that all vendor invoices rendered are properly recorded at year end. Furthermore, purchase orders must be reviewed and cancelled when no longer valid.</p>	<p>The Assistant School Business Administrator in conjunction with the Accounts Payable Supervisor must ensure the procedures for year-end close are being adhered to. Purchase orders must be reviewed on an ongoing basis and cancelled when no longer valid.</p>	<p>The Accounts Payable Department will review all encumbrances ready for payment to determine whether or not a payment is classified as an encumbrance or a payable.</p>	<p>Assistant School Business Administrator Accounts Payable Department</p>	<p>On-going</p>
<p><u>II FINANCIAL PLANNING, ACCOUNTING AND REPORTING</u></p> <p><u>Finding 2017-001</u></p> <p>3. Efforts be made to eliminate the Debt Service operating deficit.</p>	<p>The School Business Administrator must develop the annual budget and ensure the appropriate amount due is appropriated from the current fund.</p>	<p>The School Business Administrator will review the Debt Service Fund and make the proper accounting entry to eliminate this deficit.</p>	<p>School Business Administrator</p>	<p>Effective Immediately</p>



 CHIEF SCHOOL ADMINISTRATOR

DATE



 BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

1/11/2018

 DATE

Cc: County Superintendent

CORRECTIVE ACTION PLAN

NAME OF SCHOOL EAST ORANGE SCHOOL DISTRICT

COUNTY ESSEX

TYPE OF AUDIT ANNUAL

DATE OF BOARD MEETING JANUARY 10, 2018

CONTACT PERSON VICTOR R. DEMMING

TELEPHONE NUMBER (862) 233-57300 EXT.28314

<u>RECOMMENDATION NUMBER OR TOPIC</u>	<u>CORRECTIVE ACTION APPROVED BY THE BOARD</u>	<u>METHOD OF IMPEMENTATION</u>	<u>PERSON RESPONSIBLE FOR IMPLEMENTATION</u>	<u>COMPLETION DATE OR IMPLEMENTATION</u>
4. Efforts be made to collect tuition receivable from charter schools resulting from final enrollment counts.	The Assistant School Business Administrator in conjunction with the Accounts Payable Supervisor must ensure the procedures for collecting tuition receivable from charter schools are being adhered to.	The Assistant School Business Administrator and the Accounts Payable Supervisor will review all charter school accounts to ensure that there are no outstanding balances at year end for charter school enrollment adjustment.	Assistant School Business Administrator Accounts Payable Supervisor	On-going
<u>II FINANCIAL PLANNING, ACCOUNTING AND REPORTING</u> 5. Third party preschool providers for early childhood services deliver the year-end audit on a timely basis.	The Early Childhood Department shall make sure all efforts are made to ensure the early childhood providers receive the service files from the third party vendor timely for the year-end audit.	The Early Childhood Supervisors and the Staff Accountant will review monthly the outstanding audit reports and make all efforts to obtain the audit reports.	Early Childhood Supervisors Staff Accountant	On-going

Kevin [Signature]
CHIEF SCHOOL ADMINISTRATOR

DATE

Victor R. Demming
BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

1/10/2018
DATE

Cc: County Superintendent

CORRECTIVE ACTION PLAN

NAME OF SCHOOL EAST ORANGE SCHOOL DISTRICT

COUNTY ESSEX

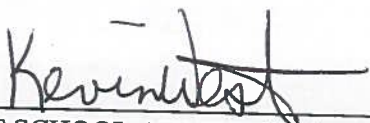
TYPE OF AUDIT ANNUAL

DATE OF BOARD MEETING JANUARY 10, 2018

CONTACT PERSON VICTOR R. DEMMING

TELEPHONE NUMBER (862) 233-57300 EXT.28314

<u>RECOMMENDATION NUMBER OR TOPIC</u>	<u>CORRECTIVE ACTION APPROVED BY THE BOARD</u>	<u>METHOD OF IMPEMENTATION</u>	<u>PERSON RESPONSIBLE FOR IMPLEMENTATION</u>	<u>COMPLETION DATE OR IMPLEMENTATION</u>
<u>III SCHOOL PURCHASING PROGRAM</u> <u>Finding 2017-004</u> 6. The invoices for alarm maintenance and electrical service should be itemized as to the hourly rates and time to charge.	The Purchasing Department must implement procedures to ensure that all contracts awarded are reviewed to ensure that labor rates are spelled out in the contract and that they are strictly followed.	The Purchasing Agent shall create a check list to ensure that procedures are followed.	Purchasing Agent	On-going
<u>III SCHOOL PURCHASING PROGRAM</u> <u>Finding 2017-002</u> 7. Internal controls be enhance to ensure that vendor invoices for services rendered are properly accrued as accounts payable to year-end. Furthermore, purchase orders be reviewed and cancelled when no longer valid.	The Accounts Payable Department shall establish internal controls over year-end closing procedure - accounts payable and encumbrance payable.	The accounts payable Supervisor shall create a check list to ensure that documentation is made available to support	Acting School Business Administrator Accounts Payable Supervisor	On-going



 CHIEF SCHOOL ADMINISTRATOR

DATE



 BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

1/11/2018

 DATE

Cc: County Superintendent

CORRECTIVE ACTION PLAN

NAME OF SCHOOL EAST ORANGE SCHOOL DISTRICT

COUNTY ESSEX

TYPE OF AUDIT ANNUAL

DATE OF BOARD MEETING JANUARY 10, 2018

CONTACT PERSON VICTOR R. DEMMING

TELEPHONE NUMBER (862) 233-57300 EXT.28314

<u>RECOMMENDATION NUMBER OR TOPIC</u>	<u>CORRECTIVE ACTION APPROVED BY THE BOARD</u>	<u>METHOD OF IMPEMENTATION</u>	<u>PERSON RESPONSIBLE FOR IMPLEMENTATION</u>	<u>COMPLETION DATE OR IMPLEMENTATION</u>
<p>IV <u>FOOD SERVICES FUND</u></p> <p>8. The District Food Service management company's sales records must reconcile with the District's sales records on a monthly basis.</p>	<p>The District accountant must schedule monthly meetings to ensure they reconcile and account for any variance in sales recorded</p>	<p>The Purchasing Agent and the Food Service Accountant must review monthly all payments being disbursed to ensure the implementation</p>	<p>Purchasing Agent Accountant</p>	<p>Effective Immediately</p>
<p>IV <u>FOOD SERVICES FUND</u></p> <p>9. The District must ensure that modifications to the FSMC are formally ratified in the Board minutes.</p>	<p>The School Business Administrator must ensure that modifications to the FSMC contract are formally ratified and reflected in the Board minutes.</p>	<p>The School Business Administrator, the Assistant School Business Administrator, and the Food Service Accountant must review monthly all payments being disbursed to ensure the implementation</p>	<p>School Business Administrator Assistant School Business Administrator Food Service Accountant</p>	<p>On-going</p>



 CHIEF SCHOOL ADMINISTRATOR

DATE



 BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

1/11/2018

 DATE

Cc: County Superintendent

CORRECTIVE ACTION PLAN

NAME OF SCHOOL EAST ORANGE SCHOOL DISTRICT

COUNTY ESSEX

TYPE OF AUDIT ANNUAL

DATE OF BOARD MEETING JANUARY 10, 2018

CONTACT PERSON VICTOR R. DEMMING

TELEPHONE NUMBER (862) 233-57300 EXT.28314

<u>RECOMMENDATION NUMBER OR TOPIC</u>	<u>CORRECTIVE ACTION APPROVED BY THE BOARD</u>	<u>METHOD OF IMPEMENTATION</u>	<u>PERSON RESPONSIBLE FOR IMPLEMENTATION</u>	<u>COMPLETION DATE OR IMPLEMENTATION</u>
<p><u>V STUDENT BODY ACTIVITIES</u></p> <p>10. It is recommended that internal controls be enhanced in the following schools:</p> <ul style="list-style-type: none"> a. J. Cochran and Fresh Start – Pre-numbered receipts be issued. b. J. Costley – 2 Signatures be required on all checks. c. Sojourner Truth – No Checks be made payable to cash and all disbursements be supported by vendor invoices. 	<p>The District shall ensure that all pre-numbered receipts are utilized for schools and deposit slips are retained for audit. Also, a minimum of two (2) Signatures on all checks. In accordance with the Student Activity guidelines, no checks can be made payable to CASH, and all supporting documentation will be retained for expenditures</p>	<p>A monthly schedule will establish the date and times that the responsible parties at each location are to meet with the assigned accountants to ensure that, in addition to reconciliations being reviewed, the following controls are being adhered to:</p> <p>Pre-numbered receipts are utilized for schools.</p> <p>A minimum of two (2) Signatures on all checks.</p> <p>No checks can be made payable to CASH.</p> <p>All supporting documentation is retained for expenditures.</p>	<p>Principals Accountants</p>	<p>Effective Immediately</p>



 CHIEF SCHOOL ADMINISTRATOR

DATE



 BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

1/11/2018

 DATE

Cc: County Superintendent

CORRECTIVE ACTION PLAN

NAME OF SCHOOL EAST ORANGE SCHOOL DISTRICT

COUNTY ESSEX

TYPE OF AUDIT ANNUAL

DATE OF BOARD MEETING JANUARY 10, 2018

CONTACT PERSON VICTOR R. DEMMING

TELEPHONE NUMBER (862) 233-57300 EXT.28314

<u>RECOMMENDATION NUMBER OR TOPIC</u>	<u>CORRECTIVE ACTION APPROVED BY THE BOARD</u>	<u>METHOD OF IMPEMENTATION</u>	<u>PERSON RESPONSIBLE FOR IMPLEMENTATION</u>	<u>COMPLETION DATE OR IMPLEMENTATION</u>
<u>VI APPLICATION FOR STATE SCHOOL AID FACILITIES</u> 11. Students reported on the ASSA be in agreement with the District work papers.	The District will ensure that all students enrolled as of the October 15 count are reported on the ASSA	A representative from every school will meet with a staff member from the Division of Operations, Compliance & Educational Support Services to review their school roster against the FOCUS school register to ensure all students are accounted for on the ASSA	Assistant Superintendent of Operations, Compliance & Educational Support Services	October 15, 2018
<u>VII TRANSPORTATION</u> There were no findings				
<u>VIII FACILITIES AND CAPITAL ASSETS</u> There were no findings.				


 CHIEF SCHOOL ADMINISTRATOR

DATE


 BOARD SECRETARY/SCHOOL BUSINESS ADMINISTRATOR

1/11/2018
 DATE

Cc: County Superintendent