

COLD SPRING HARBOR CENTRAL SCHOOL DISTRICT

Recommendations from the Management Letter from the 2022/23 Financial Statement Audit with Corrective Action Plan.

CORRECTIVE ACTION PLAN

CAPITAL ASSETS

Capital Asset Additions

Finding and Recommendation:

During our current year audit, it was noted that current year capital asset additions had not been tagged as District property and inventoried in a timely manner. We recommend that all capital asset additions above the District's established thresholds be tagged and inventoried as District property in a timely manner to ensure the proper tracking and safeguarding of the District's capital assets.

District Corrective Action Plan

- The District has developed a comprehensive standard operating procedure (SOP) that will ensure compliance with the District's Capital Asset policy, including timely tagging of assets and ongoing safeguarding of assets. The SOP will appoint a property control manager that will be responsible for tagging assets timely and in accordance with our policy. This person will also perform quarterly physical inventory testing to ensure assets are safeguarded.
- ***Responsible Parties:***
 - Christine Costa, Assistant Superintendent for Business
 - Christine Johnson, Treasurer
 - Lisa Bifulco, Deputy Purchasing Agent
 - TBD, Property Control Manager
- ***Completion Date:*** December 2023

FUND BALANCE MANAGEMENT

Fund Balance - Unassigned

Finding and Recommendation:

During our current year audit, we noted the District's unassigned fund balance exceeded 4.00% of the 2023-2024 budget. NYS Real Property Tax Law 1318 limits the amount of unassigned fund balance in the general fund to an amount not greater than 4.00% of the District's budget for the ensuing fiscal year. It is noted the District is aware and has taken this step in order to meet their legal obligation to pay settlements related to two Child Victims Act cases against the District. The District plans to utilize the excess unassigned fund balance towards the first settlement payments due on or before October 4, 2023. We recommend the District continue to monitor its fund balance moving forward in order to ensure compliance with NYS Real Property Tax law 1318.

District Corrective Action Plan

- The District will monitor its fund balance moving forward to ensure compliance with NYS Real Property Tax law 1318.
- ***Responsible Party:***
 - Christine Costa, Assistant Superintendent for Business
- ***Completion Date:*** September 2023