Lynn A. Chase
Director of Management Services

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OTSEGO NORTHERN CATSKILLS
BOARD OF COOPERATIVE EDUCATIONAL SERVICES

September 25, 2017

New York State Education Department
Office of Audit Services
89 Washington Avenue – Room 524EB
Albany, New York 12234

RE: CORRECTIVE ACTION PLAN BASED UPON INDEPENDENT AUDIT FYE 2016-17

Dear Sir or Madam:

As required, the corrective action plan for the Otsego Northern Catskills BOCES audit of the Extraclassroom Activity Fund for fiscal year ended June 30, 2017 is outlined below.

Current Year Findings and Recommendations:

I. Significant Deficiencies
See Status of Prior Year Audit Findings and Recommendations

Status of Prior Year Findings and Recommendations:

I. Significant Deficiencies

A. Extraclassroom Controls Over Cash Receipts

Our audit of the Extraclassroom accounts in the Trust and Agency Fund determined that insufficient accounting controls are exercised over cash receipts at the point of collection to the time of submission to the Central Treasurer.

Accordingly, it was impractical to extend our audit of cash receipts beyond the amount recorded.

Recommendation: The BOCES administrators should continue to monitor the activities of the Extraclassroom Activity Fund.

Status: Although improvements have been made, controls over initial sales continue to be an area where ongoing training and monitoring is performed by BOCES administration to mitigate risk.

Corrective Action: The Extraclassroom Activity Fund Auditor will meet with the Activity Advisors and Central Treasurers to review the external audit report and discuss the process needed for better control over cash receipts emphasizing the use of pre-numbered order forms, duplicate order forms, ticket stubs, inventory sheets and pre-numbered receipts. The Extraclassroom Activity Fund Auditor will also complete two internal reviews during the year to assess the operations of the student accounts and provide suggestions for improvement to the Activity Advisors and Central Treasurers.

Our BOCES continues to look for ways to strengthen our internal control systems and will put additional controls in place if the need should arise during the next fiscal year.

If you require further clarification regarding this Corrective Action Plan document, please feel free to contact me at (607) 588-6291 Ext. 172 or lchase@mail.oncboces.org.

Sincerely,

Lynn A. Chase
Director of Management Services

cc: ONC BOCES Audit Committee
Mr. Nicholas Savin, District Superintendent
Dr. Jennifer Bolton, Deputy Superintendent