

**Byron-Bergen CSD
2019-20 External Audit
Corrective Action Plan**

<u>Management Letter Comments</u>	<u>Resolution</u>	<u>Action to Date</u>	<u>Anticipated Action Needed to Complete/Completion Date</u>
<p>1</p> <p>The unassigned fund balance in the general fund was approximately \$1,882,000 at June 30, 2020 and represents 7.7% of the 2021 expenditure budget. The statutory limit as stated in property tax law is 4% of the ensuing year's expenditure budget. The District intends to use these funds to offset any shortfalls in 2021, with any excess being funded into reserves in accordance with the District's long-range plan.</p>	<p>These funds will be utilized when NYS implements reductions in State Aid. The COVID 19 Pandemic has caused a large shortfall in NYS's budget. Starting in June 2020, the Governor and NYS Division of Budget have been alerting schools to potential cuts in State Aid funding, potentially up to 20%. When NYS State Aid cuts become reality, the District will be able to use unassigned fund balance to help save many of it's educational programs.</p>	<p>These funds will be utilized when NYS implements reductions in State Aid. The COVID 19 Pandemic has caused a large shortfall in NYS's budget. Starting in June 2020, the Governor and NYS Division of Budget have been alerting schools to potential cuts in State Aid funding, potentially up to 20%. When NYS State Aid cuts become reality, the District will be able to use unassigned fund balance to help save many of it's educational programs.</p>	<p>No further anticipated action is needed.</p>
<p>2</p> <p>During our testing, the auditors noted that the extraclassroom treasurer records did not always include deposit slips to support cash receipts. The auditors recommend that the extraclassroom treasurer attach the deposit slip to each cash receipt for improved record retention.</p>	<p>Upon review of the extraclassroom treasurer records we found that deposit slips were attached to the cash receipt documentation. In some instances, the deposits were sent to the bank remotely and the deposit slip is different from a deposit slip received from a bank teller. In addition, the remote deposit slips were attached to the back of the deposit paperwork, instead of the front.</p>	<p>As of July 1, 2020, the extraclassroom treasurer will be stapling the remote deposit slips to the front of the deposit paperwork.</p>	<p>No further anticipated action is needed.</p>
<p>3</p>			