

# Warwick

WARWICK VALLEY CENTRAL SCHOOL DISTRICT

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

To Whom It May Concern:

**Re: Fiscal Year-End Audit - June 30, 2020 Corrective Action Plan**

I have attached the Management Letter from the external auditors for the Warwick Valley Central School District – Nugent & Haeussler, CPA, and P.C. The following is the District's corrective action plan to their findings:

## **SPECIAL AID**

As a result of our audit, we found an instance whereby the STAC (System to Track and Account for Children) form was completed and filed for a child who did not attend a summer program, and the District received the associated reimbursement. Conversely, we noted an instance whereby a STAC form had not been completed and filed for a child who did attend a summer program. Lastly, we noted an instance where a child attended a summer program and was STAC'ed, but the verification process confirming the child's attendance was not performed. The lack of verification resulted in non-receipt of reimbursement as of the date of our review.

We recommend that the District perform an annual reconciliation of all children placed in special education programs to verify that all children have been properly STAC'ed and verified to ensure that the District is receiving the correct reimbursement.

## **Response:**

The District will comply with the auditor's recommendation to perform annual reconciliations of all children placed in special education programs and verify that all children have been properly STAC'ed to ensure the District is receiving correct reimbursement.

## **OTHER**

As a result of our procedures, we noted that some funds had "due to other funds" balances at the end of the fiscal year. While we understand that it may be necessary for some funds to make temporary loans to other funds, it should be noted that General Municipal Law, Article 2, Section 9-a states that all Interfund advances need to be repaid as soon as funds are available but in no event later than the close of the fiscal year in which the advance was made.

We recommend that management repay those temporary loans as soon as possible. Furthermore, we recommend that management closely monitor future temporary loans to other funds and take steps necessary to repay such loans prior to the end of the fiscal year.

### **Response:**

The District will comply with the auditor's recommendation and pay "due to due from" between funds before the end of the fiscal year.

## **EXTRA CLASSROOM ACTIVITY FUND**

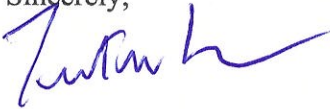
We found that several extra classroom activity clubs had limited or no financial activity during the year. This was reasonable and anticipated due to restrictions in place due to the COVID-19 pandemic.

At the time when clubs can return to regular operations, we recommend that the Board review the status of all clubs. If a club is found to be non-operational and there will be no further activity, the clubs remaining funds should be transferred to the student government.

### **Response:**

Once Covid19 subsides and clubs return to normal activity, the District will review our clubs' records, and those clubs that have no or limited financial activity will have any balances transferred to the student government activity.

Sincerely,



Timothy Holmes