

## Corrective Action Plan for Management Letter Items from the 2019-20 Audit

### **Prior Year Deficiency Pending Corrective Action:**

#### **Transportation Service Contract**

During the course of our examination, we noted that the District is currently in a contract extension through June 30, 2021 approved by the State Education Department for student transportation services. However, these services have not been competitively bid in several years.

We recommend the Administration review this situation for compliance with the District's procurement policy.

#### **District Response**

*The District monitors our transportation services to determine what changes, if any, are in the best interest of the District. Two transportation studies have been done by an outside consultant indicating that our existing cost was lower than what we would face if we did a new bid. We feel we are in compliance with policy.*

### **Current Deficiency Pending Corrective Action:**

#### **Fund Balance**

Unassigned fund balance exceeds the 4% maximum allowed by \$106,913. We recommend the District continue to monitor fund balance as it relates to Section 1318 of the Real Property Tax Law.

#### **District Response**

*With the closure of on-site school learning from mid-March through the end of the year, the District underspent its budget most notably in contract transportation and instructional substitutes. The District will continue to monitor fund balance and believes that the situation will be remedied at the end of the 2020-21 school year.*

#### **Grant Programs**

There is currently no set schedule for business office personnel to meet with grant coordinators. (The Auditors) recommend that this item be reviewed, and the necessary corrective action be implemented to ensure the District is properly recording all grant expenditures in the special aid fund, and incurring expenditures within the period of availability.

**District Response**

*The Business Administrator is requesting monthly meetings with all grant coordinators (Title cluster, IDEA grants, UPK and local funds) that will include the business office grant accountant and either the Treasurer or Business Administrator along with the grant coordinator.*

**Other Items:**

The following items are not considered to be deficiencies in internal control:

**Capital Projects Fund**

The District's 2009 capital project has been completed, however there remains an unfunded balance of \$179,371 that should be funded.

**District Response**

*The Business Administrator will request a transfer to capital to be approved by the Board of Education to eliminate the deficit.*

**GASB Statement No. 84**

During this next fiscal year, the District will be required to implement GASB Statement No.84 which will modify the financial reporting of Agency funds.

**District Response**

*The Business Administrator and Treasurer are aware of this change and will review the guidance as it becomes available and will implement the change in reporting.*

**Cyber Risk Management**

The District's IT personnel routinely assesses cyber risk as part of normal operating procedures. (The Auditors) recommend the District to document the process in writing including the risk assessment process, the frequency, how findings are communicated to management and how the process is monitored.

**District Response**

*This recommendation has been shared with the Chief of Operations and Innovation. Please see the list of Network Security Protocols included with this response.*

**FCSD Network Security Protocols**

*We currently employ industry-standard security protocols to protect district network assets and personal information. The following list details the methods and / or instruments used to attain district network security:*

*Malwarebytes Enterprise - Antivirus application distributed to all desktops.*

*Dual authentication for all google admins - Security protocol to protect Google assets.*

*Crowdstrike - Network firewall breach protection services. Protects the network from unauthorized access and attacks.*

*Cisco Firepower with IPS, Realtime threat protection, security automation, and threat intelligence director.*

*District process to disable all Active Directory /Google accounts. Remove and create when appropriate.*

*We also auto expire temporary accounts to protect network integrity and security.*

*Ransomware protection through syscloud, scans email and files in the cloud.*

*Separate SSIDs for wireless with walled garden/FW protection from our network for public WiFi*

*Lightspeed for web filtering, protection from spyware/malware infected sites*

*Goguardian is also used for web filtering and we can manually block any site*

*Windows Log checking for intrusion, security issues*

*CNYRIC IPS/threat checking on their Firewall*

*Yearly staff training to include phishing, ransomware and intrusion recognition.*

*Protocol and plan for disaster recovery.*