



# FULTON CITY SCHOOL DISTRICT

## Business Office

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## Danielle DeBiase

Director of Finance

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September 18, 2023

RE: 2022-2023 Internal Audit, Fixed Assets – Corrective Action Plan

### Observation 1: Existing Assets: Reviews, Inventory Checks, Procedures

The District agrees that the fixed asset database should be updated and maintained to ensure it accurately reflects existing fixed assets and their locations. An in-person inventory had been conducted in coordination with the District's insurance provider, however, the results were not available at the time of the audit. As of September 13, 2023, this updated fixed asset listing is available and being maintained by business office staff under the supervision of the Purchasing Agent, Danielle DeBiase.

Effective July 1, 2023, the District has received additional barcode asset tags to assist in the tracking and inventorying of fixed assets. When items are requested for purchase, the Purchasing Agent, Danielle DeBiase, verifies if the items would qualify as fixed assets and coordinates the provision of an asset tag. This asset tag is placed on the fixed asset by a member of the Business Office and the tag number is recorded in the fixed asset database. An asset transfer form will be developed and implemented the Director of IT, Daniel Sherman, and the Director of Finance, Danielle DeBiase, by January 1, 2024 to ensure that the District can accurately locate and monitor fixed assets as they are transferred within the District.

All buildings will conduct an inventory of fixed assets at least annually, to be completed by June 30<sup>th</sup> of each fiscal year under the supervision of the building principal. Departments will conduct inventories of fixed assets at least annually, under the supervision of the appropriate Director. A checklist of all fixed assets by building and department will be developed and distributed to each ensure that all items are accounted for.

### Observation 2: Removal of Disposed Assets, Incident IQ Implementation

The District will continue implementing Incident IQ and the Director of IT, Daniel Sherman, will ensure that all assets are accurately reflected in the new software as of May 1, 2024. As items are purchased, asset tags will be placed on the units. As items are disposed by the Board of Education, the asset information will be updated in Incident IQ by the technology office (under the supervision of the Director of IT, Daniel Sherman) and the business office fixed asset spreadsheet (under the supervision of the Director of Finance, Danielle DeBiase) to ensure that defunct records are not carried year to year. Additionally, the technology department will continue to tag and track assets that may not meet the Board of Education capitalization threshold but are determined to be at high risk of loss.

### Observation 3: Disposal of Assets

Effective September 30, 2023 the District's asset disposal form will require that the method of disposal is indicated. Additionally, when items are scrapped or otherwise sold, the business office will require a description of the disposed assets to be included in the deposit/cash receipt records. The associated asset disposal form will be attached to the appropriate cash receipt. This will assist in ensuring that each disposal can be tied to a unique asset disposal form. At the end of each fiscal year, the Director of Finance, Danielle DeBiase, will run a report of all asset disposal forms and ensure that appropriate cash receipts have been logged for items that were marked for scrap or sale.