



Monticello Central School District

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MONTICELLO CENTRAL SCHOOL DISTRICT

CORRECTIVE ACTION PLAN

In response to

INTERNAL AUDIT REPORT

For the period

July 2022 – September 2022

The District's Internal Auditors, Waschitz Pavloff, CPA, LLP presented the Internal Audit Report to the Audit Committee at their meeting on February 16, 2023. The Board of Education accepted the report at their regular meeting on May 4, 2023.

Areas of risk was identified in the July – September 2022 report as follows:

- 1.) Revenue and Cash Management – Cash Receipts and Revenue – Two Guidance Counselors were interviewed regarding procedures for accepting, safeguarding and awarding scholarships to students. It was noted that there were no internal controls in place regarding scholarships but the Guidance department has a plan to implement the following
 - a. Receipts will be given to all donors when they drop off a check or a money order to be awarded to a student.
 - b. Cash is no longer accepted.
 - c. All funds will be kept in the school safe until they are awarded to the students.

Recommendations in addition to the Guidance Department's plan should include:

- a. The Guidance department should maintain a spreadsheet or ledger that lists when they receive money for a scholarship, the amount received, the student the scholarship was awarded to, and the date the scholarship was awarded.
- b. The Guidance should utilize a bank account established by the District for the scholarship fund which is overseen by the Business Office. All monies received for the scholarship fund should be deposited into this bank account.
- c. All payments for scholarships should be paid to the college or the student by check.

- d. The donor of a scholarship should provide the funds to the school district and not directly to the student.

The findings will be address as follows:

1. The Guidance office secretary currently, Julie Yewchuk, will mail letters in September or October to previous scholarship providers to determine whether they plan to award a scholarship for the current school year.
2. A spreadsheet is kept in the Guidance office of all scholarships with dates awards are received or notes affirming awards directly to students. This will be updated by Brianna LeGarde, guidance counselor in charge of scholarships. This spreadsheet will be shared with the Business Office, specifically Elizabeth Terwilliger, District Treasurer, who will print and review at least quarterly. (October 15, January 15, April 15, June 15 each year).
3. Scholarships will be awarded in one of the following ways once the recipient is chosen.
 - i. Check received by the Guidance office made payable to the district. Guidance will send a claim form listing the student recipient and the District Treasurer, Elizabeth Terwilliger will issue a check to the student.
 - ii. Check payable to the student directly from the donor
 - iii. Check payable to the student/college after requirements for enrollment/grades are met. Check can be from the donor or the district.
4. Receipts will be issues by the Guidance Department, Brianna LeGarde for all scholarships received at the office, regardless of who the check is made payable to. All checks will remain in the safe. Checks payable to the district will be sent to the District Treasurer, Elizabeth Terwilliger to be deposited within 2 days of receipt. Checks payable to the student will remain in the safe until distributed.

These procedures will go into effect immediately upon Board of Education approval on May 4, 2023.

There were no other findings in the July – September 2022 report.