CORRECTIVE ACTION PLAN
INTERNAL AUDIT REPORT ON PURCHASING AND RELATED EXPENDITURES
June 30, 2026
AUDIT FIRM – R.S. ABRAMS

Competitive Bid Process and Evaluation

Procedure Performed:

- Reviewed published Board policies to ensure the District's bidding process is documented, conforms with District policies, as well as applicable regulatory requirements, and accurately reflects the current operations of the District.
- Inquired with key District personnel to obtain an understanding of the bidding and evaluation process.
- Selected ten (10) vendors to verify:
    - Adherence to statutory thresholds, bid advertising requirements, competitive bidding thresholds, and documentation standards.
    - Bid notices are adequately publicized through appropriate channels, such as District website, and/or procurement portals.
    - Completeness and accuracy of bid documents, ensuring alignment with procurement requirements and objectives.
    - Review documentation of bid evaluation criteria.
- Selected twenty-five (25) disbursements to verify:
    - The completeness and accuracy of authorization documentation, including compliance with District purchasing policy and New Stork State General Municipal Law for bids, quotes or RFPs.

Findings: No exceptions were noted.

Recommendations: None noted.

District Response: N/A

Purchase Requisitioning

Procedure Performed:

- Reviewed published Board policies to ensure the District's purchase requisitioning is documented, conforms with District policies, and accurately reflects the current operations of the District.
- Inquired with key District personnel to obtain an understanding of the purchase requisitioning process.
- Reviewed staff assignments and AIS user permissions to ensure appropriate segregation of duties among personnel involved in the purchasing process.
- Selected twenty-five (25) disbursements to verify:

The completeness and accuracy of authorization documentation, including required signatures (e.g., principal or department head), dates, shipping address, and supporting documentation such as a receiving copy of the purchase order signed by the requisitioner.

Findings: No exceptions were noted.

Recommendation: None noted.

District Response: N/A

Authorization and Approval Process

Procedure Performed:

- Reviewed published Board policies to ensure the District's authorization and approval process is documented, conforms with District policies, and accurately reflects the current operations of the District.
- Reviewed the AIS permissions to ensure only Board authorized individuals can convert purchase requisitions into purchase orders.
- Selected twenty-five (25) disbursements to verify:
  - The completeness and accuracy of authorization documentation, including required signatures, dates, shipping address, receiving reports, supporting documentation, and evidence of electronic approval by the Purchasing Agent or Deputy Purchasing Agent.

Findings: No exceptions were noted.

Recommendation: None noted.

District Response: N/A

Vendor Payments and Cash Disbursements

Procedure Performed:

- Reviewed published Board policies to ensure the District's vendor payments and cash disbursement process, including check disbursements is documented, conforms with District policies, and accurately reflects the current operations of the District.
- Reviewed the monthly independent claims auditor reports to ensure monthly claims reports are presented to the Board of Education.
- Sampled twenty-five (25) check disbursements to verify that disbursements are properly supported by documentation such as invoices, receipts, or authorization forms, and the claims auditor's review is clearly documented.

Findings: No exceptions were noted.

Recommendation: None noted.

District Response: N/A

Travel and Conference/Expense Reimbursement

Procedure Performed:

- Reviewed published Board policies to ensure the District's travel and conferences/expense reimbursement process is documented, conforms with District policies, and accurately reflects the current operations of the District.
- We selected ten (10) transactions related to travel and conference expenditures and employee reimbursements for mileage and cell phones to verify:
  - The District obtained proper approvals prior to reimbursement of travel and conference expenditures,
  - Retained itemized receipts,
  - Utilized proper reimbursement rates,
  - Verified sales tax was not reimbursed, and
  - Retained proof of attendance for training, if applicable.

Findings: No exceptions were noted.

Recommendation: None noted.

District Response: N/A

Use of District Authorized Credit Cards

Procedure Performed:

- Reviewed published Board policies to ensure the District's credit card use process is documented, conforms with District policies, and accurately reflects the current operations of the District.
- We selected three (3) credit card disbursements to verify:
  - The District retained itemized receipts,
  - Expenditure was necessary in the performance of work-related duties for the District,
  - Purchase order was approved prior to use of the credit card for the purchase, and
  - Claims auditor approval is evidenced on the voucher package.

Findings: No exceptions were noted.

Recommendation: None noted.

District Response: N/A

Vendor Maintenance

Procedure Performed:

- Reviewed the District's policies and procedures related to conflict of interest.
- Reviewed the master vendor file and filtered data to verify the following:
  - Sorted data by vendor name and vendor identification number, purchasing and legal address to ensure multiple vendors are not assigned to one purchasing or legal address or one vendor identification number.
- We selected twenty-five (25) active vendors from the master vendor file and obtained vendor payment history to ensure that the vendor is appropriately deemed as active within the system. Additionally, we ensured that appropriate vendor information is maintained, including IRS Form W-9 and IRS form 1099 issued, if applicable.

We reviewed the District petty cash accounts that are provided to different administrators and departments within the District to determine if the District is properly monitoring petty cash accounts and maintaining supporting documentation.

Findings: No exceptions were noted.

Recommendation: None noted.

District Response: N/A