



HUDSON CITY SCHOOL DISTRICT

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Hudson City School District

Corrective Action Plan

2020-2021 Risk Assessment (Internal Audit)

Comments and Recommendations

External Risks:

Comments: These risks have raised the importance of having written contingency/disaster recovery plans as well as documented procedures for most operational and administrative functions.

Recommendation: In response to both of these threats, the Board and District Administration should continue to monitor external threats, preventative measures, and maintain open communications.

District Response: The Board of Education and District Administration continue to monitor external threats, preventative measures and maintain open communications.

Anticipated Completion Date: January 1, 2022, and will be monitored on a regular basis

Financial Area:

Comments: At the time of our review the District Superintendent had tendered retirement to take effect December 31, 2021. Anytime there is a change in personnel there is an increased risk of maintaining the “tone at the top” and maintaining procedures, policies, and programs with consistency.

Additionally, there was turnover or vacancies in several positions that could affect the operations of the business office and related areas. During the transition of personnel retiring/ resigning, the business official had to maintain many hats to maintain operations. These positions included the District Treasurer, Food Service Manager, Transportation Manager, and the Director of Buildings and Grounds. These vacancies occurred both during and after our audit period.

Recommendation: Since there was a period that these positions were in transition, the audit committee should evaluate the need to designate “the focus area” for the internal audit to be a review of these areas, during the period of these transitions.

District Response: A new District Superintendent was appointed on December 21, 2021. The former Superintendent was also appointed as Transition Coach and Leadership Coach to assist



in maintaining procedures, policies and programs with consistency. The district also got a new District Treasurer and Director of Buildings and Grounds. We currently use Capital region BOCES for our Food Service Manager. The Business Administrator is still in charge of Transportation.

Implementation Date: District Treasurer (August 30, 2021), Director of Building and Grounds (July 19, 2021), Food Service Manager (July 1, 2021), Superintendent (February 1, 2022), and the Audit committee will meet on February 15, 2022 to discuss the focus area for review.

Cash Receipts:

Comment: As mentioned under the previous comment and recommendation, this is an area that was affected by the transition of the Treasurer resigning at year-end. This could adversely affect the risk profile during the period without a Treasurer.

Recommendation: Since there was a period that these positions were in transition, the audit committee should evaluate the need to designate “the focus area” for the internal audit to be a review of these areas, during the period of these transitions.

District Response: The Business Administrator assumed the responsibilities of the Treasurer until a new treasurer was appointed on August 30, 2021, and the Audit Committee is meeting on February 15, 2022 to discuss a focus area for review.

Implementation Date: August 30, 2021, the Audit committee will meet on February 15, 2022.

Payables and Disbursements:

Comment: The internal auditor is in the process of completing the focus area audit from the prior year which was for the procurement of professional services. The audit committee should review the results of this audit. Similar to the previous findings, the resignation of the Treasurer would affect the risk profile of this area. Refer to the previous recommendations.

Recommendation:The audit committee should review the results of this audit. Similar to the previous findings, the resignation of the Treasurer would affect the risk profile of this area. Refer to the previous recommendations.

District Response: The Audit Committee will meet on February 15, 2022 to review this audit report.

Implementation Date: February 15, 2022

Foodservice Operations

Comments: Similar to other areas, the manager of food services resigned and the district switched to outsourcing the management of food service to Capital Region BOCES.

Recommendation: Anytime there is a significant change like this the risk profile can be affected and should be monitored. Additionally, since this is an area of transition in personnel the previous comments on personnel changes are applicable.

District Response: The Business Administrator assumed the role of managing food service until the implementation of the BOCES Food Services agreement at which time the food service responsibilities were transferred to Chris Diamantatos (BOCES, effective July 1, 2021).

Implementation Date: July 1, 2021

Transportation

Comments: Similar to other areas noted, the retirement of personnel in Transportation placed an increase on the risk of this area. This is an area that should also be reviewed as part of a “look back” during the transition of personnel.

Recommendation: This is an area that should also be reviewed as part of a “look back” during the transition of personnel.

District Response: The Audit Committee will meet on February 15, 2022 to review this audit report.

Implementation Date: February 15, 2022

Information Technology

Comments: As noted under “external risks”, cyber-terrorism and data privacy has become two areas the district should continually monitor and include in all disaster recovery/ contingency planning. These processes and procedures should be continually evaluated. In our review last year we noted the district’s Disaster Recovery Plan is a draft and is in need of updating and approval. This is still an outstanding comment.

Recommendations: The District’s disaster recovery plan should be updated and approved by the Board.

District Response: The District’s Disaster Recovery Plan was updated and approved by the Board of Education on December 21, 2021.

Implementation Date: December 21, 2021