

SPECIFIC - CORRECTIVE ACTION PLAN

District: Paterson Public Schools	County: Passaic
Date of Board Meeting: December 1, 2010	
Contact Person: Frances Finkelstein	Telephone Number: (973) 321-0896

<u>Recommendation #</u>	<u>Conditions that caused the repeat recommendation(s);</u>	<u>Corrective actions taken or to be taken and the dates or projected dates of such actions</u>	<u>The administrator directly responsible for implementing the actions and controls</u>	<u>Internal controls put in place or to be put in place to prevent another repeat of the recommendation and the dates or projected dates of implementation of such controls</u>
II-Financial Planning, Accounting and Reporting - #1	II. #1 – Staff misunderstanding about the difference between accounting liabilities and rollover encumbrances;. In addition, financial system has limited capability to to split partial delivery orders order between liabilities and rollovers.	II. #1 Intensified reporting of aging orders to requesters for follow-up with vendors to eliminate volume of open orders at year-end; Training of relevant staff to ensure understanding of classifications.	II. #1 –Accounting Manager	II-#1 Effective 1/7/11, reports of open orders over 60 days will be sent to requesters and Asst. Superintendents for their information and action to expedite delivery of products and/or services. April 2011 A/P staff and relevant fiscal workers in Facilities and Technology will receive training on liabilities vs. rollover encumbrances.
IV-School Food Services	IV. Staff misinterpreted finding in terms of timeline required for deposits; should have been within 48 hours of collection. Problem was managers holding funds too long but not being reflected in monthly measurements.	IV. Met with auditors to understand how deficiency occurred; began 2010-11 FYy training cafeteria managers on audit-compliant cash procedures (ongoing process); established weekly measurements of compliance; retraining/reassignment of staff if performance dictates.	IV. – Food Services Manager	IV. Effective Sept. 2010 cafeteria manager training completed. Effective Oct. 2010 food service staff assigned to monitor deposits weekly to identify timing deficiencies, at which time offending party is either retrained or . for persistent offenders, prepared for reassignment.
V. – Student Body Activities	V. Despite training, School Principal’s/school treasurer’s lack of compliance with student activity fund requirements, finding it more expedient to reimburse employees for purchases than to find vendors willing to accept student fund orders and checks.	V. Principals will follow Activity Fund procedures. Compliance will be checked by Accounting through monthly reviews of student funds. Review checklist will be expanded to include incidences of employee reimbursement and will I require a review signature of school principals, Checklist findings will be provided to respective Asst. Supt.,for appropriate action and to Acctg. Supervisor, Acct. Manager and SBA for follow-up.	V. Assistant Superintendents	V. December 2010 Accounting checklist modification will be completed and shared with principals/assistant superintendents. Effective January 2010 checklist distribution will commence following accountants’ reviews of school accounts.

Chief School Administrator

Date

Board Secretary/School Business Administrator

Date

6A:23A-4.4 Repeat annual audit recommendations; action required

(a) Districts that had repeat audit findings in the Auditor's Management Report submitted with the CAFR in any year shall, within 30 days of the CAFR submission, submit to the Executive County Superintendent or State fiscal monitor, as applicable, a specific corrective action plan for addressing the repeat audit findings noted in the Auditor's Management Report. The corrective action plan shall include the following:

1. Conditions that caused the repeat recommendation(s);
2. Corrective actions taken or to be taken and the dates or projected dates of such actions;
3. Internal controls put in place or to be put in place to prevent another repeat of the recommendation and the dates or projected dates of implementation of such controls; and
4. The administrator directly responsible for implementing the actions and controls in 2 and 3 above.