Hoosic Valley Central School District

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School Business Administrator

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September 23, 2024

Hoosic Valley Central School District
Corrective Action Plan for the 2023-24 Independent Audit
2024-001 Compliance with School Food Service Resource Management

Finding: According to the code of federal regulations section CFR § 210.14 (b) the school food authority shall limit its net cash resources to no more than 3 months' worth of average expenditures. The fund balance of the school lunch fund exceeds 3 months of the average expenditure of the fund by approximately $292,000. The cumulative effect of expenditures being less than revenue for a number of years was impacted by the increase in federal reimbursement rates and funding. The District was not in compliance with federal guidelines. As part of audit procedures, the compliance with this federal guideline is reviewed.

Recommendation: The District should develop a plan regarding how to address and use the excess in future years. The District is required to submit a plan to the Child Nutrition Program Administration detailing how the District will reduce the fund balance to an acceptable level.

Implementation plan of action: The District has created a temporary part-time food service director position to assist in assessing methods to diversify the meals offered to students and increase participation. Additionally, the Business Manager will work with the Food Service Team to identify the supplies and equipment that will need to be purchased in order to facilitate the efforts to increase and diversify meal offerings.

Person Responsible for Implementation: Jodi Birch, Business Manager and Michelle Gillespie, Cook/Manager

Anticipated Completion Date: June 30, 2025

2024-002 Equipment and Real Property Management

Finding: 2 CFR Section 200.313(d) requires property records to be maintained including a description of the property, a serial number or other identification number, the source of funding for the property, who holds the title, the acquisition date, cost of the property, percentage of federal participation in project costs, the location, use and condition of the property, and any ultimate disposition data. Additionally, it requires a physical inventory of the property be taken and results reconciled with the property records at least every two years. Record of equipment purchased under the federal program was not maintained in accordance with 2 CFR Section 200.313(d). As part of the requirements under the Uniform Guidance we inquired of and attempted to review records maintained over property and equipment purchased with federal dollars under the major program. While purchases are tracked there is no identification of which purchases were made with federal dollars and under which program.

Recommendation: We recommend the District review the above referenced requirements and implement procedures to ensure the District complies with relevant compliance requirements.

Implementation plan of action: The Business Manager will review these requirements with the Account Clerk responsible for tracking fixed assets to ensure that purchases made with federal dollars are recorded in the database with all the necessary information to meet the compliance requirements. In addition, we will establish a process to perform a physical inventory as required every two years.

Person Responsible for Implementation: Jodi Birch, Business Manager and Kristie Smith, Account Clerk

Anticipated Completion Date: June 30, 2025

Jodi A Birch 9/23/2024

Jodi A. Birch – Business Manager