

Transcript for Financial Reporting Requirements for School Districts and BOCES

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There are a couple of ways to log into the NYSED Application

Section 2116(3) of the New York State Education Law and Section 170.12(e)(1) of the Regulations of the Commissioner of Education require all BOCES and each school district employing eight or more teachers to obtain an annual audit of its records by an independent certified public accountant or an independent public accountant. The school districts with less than eight teachers will still need to certify on Survey 1 that they're exempt. If they employ less than eight teachers, they are exempt from submitting the audited financial statements. However, they must submit a survey so that way we're able to have this on record.

Survey 1 is due on October 15 for everyone except for the Big 5 school districts. For the purposes of the October 15 due date, everyone includes all school districts, BOCES and school

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The next few slides will cover what's displayed in Survey 1. This survey will be applicable for everyone e

unforeseeable delays). Some other issues we see are entities waiting until Board approval to submit this survey. Our Office requests the minutes of the Board approval in Survey 2/3, not Survey 1. Please do not wait to submit the financial statements until there is Board approval. Finally, please be advised that we prefer to see all the required statements in the table of contents.

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Now, let's discuss Survey 2/3, which covers the Financial Statement Board Approval, the Management Letters, the Extraclassroom Audit, the corrective actions plans and the Board Approval of the corrective actions plans.

All districts with eight or more teachers and all BOCES are required to submit this survey.
Education Law §2116-

Big 5 school districts of Buffalo, Rochester, Syracuse, Yonkers, and New York City are required to submit this survey by February 1.

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Here's what the Office of Audit Services requires for Survey 2/3:

- x The minutes showing the Board approval of the independent auditor's report,
- x The Management letter, if applicable,
- x The Extraclassroom Audit, if applicable,
- x The corrective action plan should be in final format and finally,
- x The corrective action plan in response to the financial statement or Management Letter findings &
- x The Extraclassroom Audit findings contains:
 - o The detailed action taken or planned to correct the deficiencies in the audit findings, or a statement which ~~describes~~ ^{explains} the reason(s) that corrective action is unnecessary, and
 - o The expected date(s) of implementation. We also require the meeting minutes/Board resolution showing the Board approval of the corrective action plan(s).

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The next few slides will ~~cover~~ ^{cover} what's displayed in Survey 2/3. This survey contains two tables, and this slide displays the instructions for the first table. As outlined here, the corrective action plan must contain an implementation date – either a specific date, or a month and year, or a fiscal yearend. The corrective action plan must also address each finding and be Board approved.

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The first table requests the following to be uploaded:

- x Board approval of the audited financial statements; this will be meeting ~~minutes~~ ^{minutes} or Board resolution.
- x Management Letter only
- x Corrective action plans for Management Letter findings. Each recommendation/finding must have a corrective action plan.
- x And finally, the Board approval of the final corrective action plans related to Management Letter findings. We streamlined this survey by adding a table. We hope this is more effective in ensuring that we receive the required documents.

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The next question asks if your entity is required to have an extraclassroom audit pursuant to Commissioner's Regulation 172.2 and 172.3(d).

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This slide displays the instructions for the second table related to the Extraclassroom Audit. As outlined here, the corrective action plan must contain an implementation date – either a specific date, or a month and year, or a fiscal ~~year~~ ^{year}. The corrective action plan must also address each finding and be Board approved.

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The second table requests the following to be uploaded:

- x The Extraclassroom Audit,
- x The Management Letter with Extraclassroom Audit findings,
- x The corrective action plans for the Extraclassroom Audit findings or the corrective action plan(s) in response to Management Letters with Extraclassroom Audit findings. Each recommendation must have a corrective action plan.
- x Finally, the Board approval of the final corrective action plan(s) related to the

Program Specific Audit conforms to the Uniform Guidance, reviews all findings, and issues a Management Decision on the validity of the findings.

The Office of Management and Budget's Uniform Grant Guidance Title 2 CFR §200.512(a)(1), (b)(1), and (d) indicates that the data collection form and reporting package be submitted to the Federal Audit Clearinghouse within the earlier of 30 calendar days after receipt of the auditor's report or nine months after the end of the audit period.

Survey 30

Continuing with Survey 4:

The Office of Management and Budget's Uniform Grant Guidance 2 CFR §200.501(d) states that a

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The next question states that if federal award expenditures were less than \$750,000 and a Single

Survey 5 is historically due on April 30. However, for the 2009 and 2021 annual cycles, the due date got extended by six months to October 31st. This was as a result of the [Me21-20](#) memorandum issued by the Office of Management and Budget (OMB), which extended audit due dates with fiscal year ends through June 30, 2021. No additional extensions have been provided. As such, our office will use a phase

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The next question asks whether you had any Financial Statement Findings (Section II) and/or federal Award Findings or Questioned Costs (Section III) in your Single Audit or Program Specific Audit. Select either “Yes”, “No”, or “N/A” (in case you didn’t have a Single Audit or Program Specific Audit).

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The next question asks you to upload any Board approved corrective action plan for any Section II and or Section III findings. It also provides detailed information for the corrective action plan requirements.

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The next question asks you to upload the Board approval (which must be the meeting minutes or a Board resolution) for the corrective action plan(s). Once those questions are addressed, submit the survey.

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Some helpful hints for Survey 5 include ensuring the submission of:

- x The corrective action plan(s) for each Section II and/or Section III finding. It is critical to note that if you have both and you only submit a corrective action plan for one finding, the survey will not be approved. This increases back and forth between you and the Office of Audit Services. To save everyone time, please ensure when you submit this survey that all CAP(s) are submitted for all findings in the Single Audit or Program Specific Audit.
- x The name of the contact person responsible for corrective action.
- x The anticipated completion date for each finding. Again, the completion date and contact person – these are not options. We return *hundreds* of corrective action plan(s) for not meeting each requirement. Please alter your process to ensure these requirements are being met, if needed.
- x The updated Board minutes for any revised corrective action plan(s).
- x And finally, the corrective action plan adequately addresses each finding.

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The next survey is Survey 6, which covers the Internal Control Report and the related corrective action plan. All school districts and BOCES are required to submit this survey.

Education Law §2116(1) and 1950(4)(k) state that (except for the exempt school districts that employ less than eight teachers in the previous school year, or have general fund expenditures totaling less than \$5,000,000 in the previous school year, or have actual enrollment of less than 1,500 students in the previous school year), each school district shall establish an internal audit function.

Commissioner’s Regulation §170.12(e)(4)(i)(b) requires that a Board approved corrective action

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This slide displays the instructions for the information that must be submitted for school districts who are not exempt and all BOCES who have an Internal Control Report. As outlined here, the corrective action plan must contain an implementation date – either a specific date, or a month and year, or a fiscal year end. The corrective action plan must also address each finding and be Board approved.

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Question 3 requests the following information to be uploaded for school districts who are not exempt and for BOCES who have an Internal Control Report:

- x What entity conducted the Internal Control audit?,
- x What is the audit report number (if available)?,
- x How many findings or recommendations were in the audit report?,
- x Upload the Internal Control Report, and
- x Upload the Board approved corrective action plan, if applicable.

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Question 4 asks for the Board approval, (which can be meeting minutes or a Board resolution) approving the corrective action plan(s). Once those questions are completed, submit the survey.

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Some helpful tips for Survey 6 include ensuring the:

- x Internal Control Report is in final format,
- x Internal Control Report is for the correct fiscal year,
- x Submission of corrective action plan(s) for each finding,
- x Submission of the anticipated implementation date for each finding,
- x Corrective action plan adequately addresses the finding,
- x Submission of the updated Board minutes for any revised corrective action plan(s), and
- x Submission of the date the Internal Audit Function is expected to be fully implemented for BOCES that have not yet established an Internal Audit Function.

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The next survey is Survey 6B, which covers the Internal Control Exemption Certification. All school districts are required to submit this survey regardless of who is exempt from submitting an Internal Control Report. We request each school district to respond to the survey so that we can have a record of each district's attestation.

Education Law §2116(2) states the following school districts are exempt from submitting an Internal Control Report:

- x districts employing fewer than eight teachers in the previous school year; or
- x districts with actual general fund expenditures totaling less than \$5 million in the previous school year; or
- x districts with actual enrollment of less than 1,500 students in the previous school year.

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Here's what's required for Survey 7:

- x The Board approved corrective action plan(s) in response to any Regulatory Audit findings,
- x The Regulatory Audit report and corrective action plan(s) must be final form,
- x The corrective action plans(s) in response to Regulatory Audits contain:
 - o The detailed action taken or planned to correct the deficiencies in the audit findings, or a statement which describes the reason(s) that corrective action is unnecessary, and the
 - o Expected date(s) of implementation.
- x We also require the meeting minutes/Board resolution showing the Board approval of the CAP(s).

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Question 2 requests the following for each Regulatory Audit:

- x What entity conducted this audit?,
- x What is the audit report number (if available)?,
- x How many findings or recommendations were in this audit report?,
- x Upload the Regulatory Audit, and
- x And upload the Board approved corrective action plan for each finding/recommendation.

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Question 3 asks for the Board approval, (which ~~includes~~ meeting minutes or a Board resolution) approving the corrective action plan(s). Once those questions are completed, submit the survey.

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Some helpful tips for Survey 7 include ensuring the:

- x Submission of all Regulatory Audits including OSC and NYSED,
- x Regulatory audits are in final format and not draft,
- x Regulatory Audit is for the correct fiscal year end,
- x Submission of the corrective action plan(s) for each Regulatory Audit finding,
- x Submission of the anticipated implementation date for each Regulatory Audit finding,
- x Corrective action plan adequately addresses each finding, and
- x Submission of the updated Board minutes for any revised corrective action plan(s).y A-2

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Here are the links to the supporting documents. If you are viewing a video, please refer to the PowerPoint slides for direct access to the links. We have included the portal tutorial which provides a complete guide to all the financial survey submissions. For questions relating to survey users or certifiers, please refer to the [SEDDAS Complete User Guide](#). For accounting or auditing questions, please refer to the [Audit Reference Manual](#).

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And finally, here's our website and contact information. If you have any questions regarding Financial Surveys-7, please contact the Office of Audit Services and email us at FSandSingleAudit@nysed.gov with any questions. Please note that anytime there's a note in the Business Portal – it is best to respond within the Portal when you can ---as different staff are assigned to different districts for different surveys. However, if that is not applicable or possible, please email us anytime.

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