

# LaFayette Central School District

*Four Schools, Three Buildings, Two Nations, One Goal: Excellence!*

LaFayette Jr./Sr. High School  
3122 Route 11 North  
LaFayette, NY 13084

Big Picture School  
3122 Route 11 North  
LaFayette, NY 13084

C. Grant Grimshaw Elementary  
5957 Route 20 West  
LaFayette, NY 13084

Onondaga Nation School  
3285 State Route 11A  
Nedrow, NY 13120

TO: Board of Education  
Jeremy Belfield, Superintendent  
FROM: Laurie Holtsbery, School Business Administrator  
RE: Updated Corrective Action Plan-Extraclassroom Activity Funds 2023-24  
DATE: January 22, 2025

In connection with the report Communicating Internal Control Related Matters Identified in an Audit received from Mengel Metzger Barr & Co. LLP, for the audit of the Extraclassroom Activity Funds (ECA) for the fiscal year ended June 30, 2024, the following Corrective Action Plan will be implemented.

## **Grimshaw Elementary School**

### **Student Ledgers:**

Observation: The District's ECA audit revealed only at Grimshaw Elementary School that the student treasurer does not always maintain separate ledgers.

Corrective Action Plan: In October 2023, the School Business Administrator met with Faculty advisors and each club's student treasurer. During this meeting, treasurers were taught how to maintain their ledger and record transactions. They were also instructed to compare their ledger with the Central Treasurer monthly. This improved and corrected the issue at the High School, but it continues to be an issue at Grimshaw. The Business Administrator will meet with the treasurer at Grimshaw in February 2025 to review this training and work with the central treasurer to ensure compliance. The full implementation of the action plan will be completed by March 1, 2025.

### **Profit and Loss Statements:**

Observation: The District's ECA audit revealed that profit and loss statements were not prepared for one fundraising activity at Grimshaw Elementary. This was a reduction in instances compared to the previous year's audit.

Corrective Action Plan: In February 2025, the Business Administrator will meet with the treasurer of the identified club to review the proper completion of a profit and loss statement. The Central Treasurer will collect the reports and ensure they are complete and signed. Full implementation of the action plan will be completed by March 1, 2025.

### **Cash:**

Observation: The District's ECA audit revealed that the Student Treasurer and Faculty Advisor were not involved in counting the cash for the musical, and the Central Treasurer took cash home after the event.

Corrective Action: To help safeguard cash and maintain accountability and control over cash receipts, The District will establish a Procedures and Guidelines document documenting the process, storage,

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**Mission:** *At LaFayette, we put students first. Our mission is to educate, honor, and develop students to have self-respect, a commitment to the community, and a passion for excellence.*

**Vision:** *Inspire, empower, and prepare all students to achieve excellence.*

and deposit of all cash receipts. This will include that all receipts are maintained on the district property and counted by the student treasurer and faculty advisor. This will be completed by February 28, 2025

#### **Club Minutes:**

Observation: The District's ECA audit revealed one instance in which a gift card was purchased without meeting minutes indicating approval by members.

Corrective Action: As recommended by the external auditors, the Business Administrator will meet with the faculty advisor of the identified club to ensure that all students' meeting minutes or evidence of a vote by the majority of the club members to support the expenditures is recorded. The process will also be included in the Procedures and Guidelines document. This will be completed by February 28, 2025.

#### **High School**

##### **Venmo:**

Observation: The District's ECA audit revealed two instances in which the faculty advisor used Venmo, but there was no support from Venmo to agree to the advisor's spreadsheet of money earned.

Corrective Action Plan: The District will instruct all clubs that we will no longer accept Venmo payments or other cash transfer applications. Moving forward, all payments must be in cash or check. This will be established in the Process and Guidelines document, which will be shared with all clubs. Full implementation of the action plan will be completed by February 1, 2025.

##### **Sales Tax:**

Observation: The District's ECA audit revealed that sales tax was not paid on purchases for items not being resold. Also, sales tax was paid in two instances on items intended for resale.

Corrective Action Plan: In compliance with New York State Sales Tax Law, the Central Treasurer will monitor and review all purchases to ensure they include sales tax. If items are to be resold, the sales tax paid will be adjusted under the law. The District will include this reminder with the Process and Guidelines document for all clubs. The full implementation of the action plan will be completed by March 1, 2025.

##### **Gift Cards:**

Observation: The District's ECA audit revealed one instance in which gift cards were given out without a record of who received them.

Corrective Action Plan: The district will instruct all clubs in the Process and Guidelines document that any gift cards issued must have a record of who received them and a formal acknowledgment receipt. The full implementation of the action plan will be completed by March 1, 2025.

##### **Cash Payment:**

Observation: The District's ECA audit revealed one instance in which the Faculty Advisor paid a vendor in cash instead of with a check.

Corrective Action Plan: The district will instruct all clubs in the Process and Guidelines document that all cash receipts must be deposited intact, and all purchases will be made by check to safeguard cash and improve accountability. The full implementation of the action plan will be completed by March 1, 2025

## **Onondaga Nation School**

### **Student Involvement:**

Observation: The District's ECA audit revealed that multiple accounts at the Onondaga Nation School may not meet the criteria for an extracurricular activity, according to the NYS Finance Pamphlet No. 2, Safeguarding Accounting and Auditing of Extracurricular Activity Funds.

Corrective Action Plan: Through Board Action, the District will implement Policy 5520 to move funds to the Student Leadership account that do not meet the NYS criteria for an Extraclassroom Fund. Full implementation of the action will be completed by June 1, 2025.

### **Disbursements**

Observation: The District's ECA audit revealed one instance at the Onondaga Nation School where the payment order did not have the Faculty Advisor's signature present.

Corrective Action Plan: Internal controls will be reviewed with the Central Treasurer to ensure all required signatures are present before disbursement. The full implementation of the action plan will be completed by January 31, 2025.

### **Deposits:**

Observation: The District's ECA audit revealed three instances of untimely deposits.

Corrective Action Plan: We will continue implementing internal accounting procedures for cash receipts to the Central Treasurer to ensure funds are deposited more timely. The current procedures reduced the findings from the prior year to three in the current year. Full implementation of the action plan will be complete by February 1, 2025