

To: Robert Edwards, Superintendent

From: Kristopher Williamson, Business Administrator

Date: Thursday, January 20, 2022

Subject: CAP for June 30, 2021 Internal Audit Report

The 2020-21 fiscal year internal audit was performed by D'Arcangelo & Co. for the Cortland Enlarged City School District. During the audit, the items listed below were found as opportunities for strengthening internal controls and operating efficiency. The audit committee reviewed this report on Oct 1, 2021 and the follow-up responses are stated in italics.

Prior Year Risks and Recommendations

2015-01 Accounting Procedures Manual

The Business Office staff continues to update the current Procedures Manual. The intent is for this manual to be a living document, updated regularly as roles are clarified. This manual will be used as a reference to assist with cross training and promote smoother transitions should an employee leave or is not able to perform their duties.

2018-01 Information Technology - Governance/Security: Vendor Management

This audit is conducted by OCM BOCES annually. The district will ask for a copy of the SOC report when it is completed for key district staff to review.

2015-04 Information Technology - Governance/Security: Data Classification

The district will allocate time during the 2021-22 year to complete the data classification project. This is an ongoing process.

2015-05 Information Technology - Governance: Records Retention of Student and Business Records

District Administrators continue to attend records retention training and reference LGS-01 to address questions that arise. A plan of action will be created and implemented in the future.

2015-06 Information Technology - Disaster Recovery: Contingency Plan

The district is in the process of developing a formal Disaster Recovery Plan (DRP) to be completed during the summer of 2022.

2016-02 Payroll/HR - General Employee Administration: Segregation of Duties - Payroll/HR

The district elects to tolerate the risks associated with these segregations of duties.

2016-03 Payroll/HR - General Employee Administration: Exit Interview Checklist

The district is in the process of putting together an exit interview checklist.



Business Administrator

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2017-02 Uniform Guidance Procurement Policies

A Uniform Guidance template from ASBO has been finalized to reflect Cortland's procedures and is currently being edited during the 2021-22 year. This document will be reviewed annually.

2017-03 Information Technology - Network Security: Computer Security

The district now utilizes a live version of Windows Server Update Services (WSUS) services. The district continues to update software to prevent BOT viruses when used both in-district and out-of-district.

2017-04 Information Technology - Network Security: Security of IT Service Accounts

The district is currently rolling out two-factor authentication with plans to implement district-wide by June 2022.

2017-05 Information Technology - Financial Application Security: Security Access Provisioning and Recertification - nVision Application

The Business Administrator continues to review all users with access to nVision to ensure that proper access is provided.

2018-02 Information Technology - Network Security: Network Security Monitoring

IT staff meets bi-weekly to review network security reports to track and respond to potential security breaches.

2018-03, 04, 05, 06 Extraclassroom - Faculty Auditor, Cash Receipts, Club Folders, Clubs

The district continues to review the policies and procedures of extraclassroom activities. Ongoing training is provided to class advisors and a regular year-long schedule to review processes is being developed.

2019-01 Information Technology - General Controls: Security Awareness

District staff are provided training through NYSIR on Security Awareness.

2019-02 Cash Receipts/Billing - Medicaid: Medicaid Cash Receipts and Billing Submissions

The district reviews data periodically to ensure that all services that could be billed are being billed and that all claims that have been rejected have been followed up on and resubmitted if possible.

2020-01 Information Technology - Governance: State Privacy Regulation Implementation

The district continues to update its policies and procedures to comply with NYS ED Section 2D Regulation 121.

2020-02 Vendor Management - NutriKids

BOCES has completed a SOC-2 review. The district will continue to review Heartland's Mosaic system to determine if it is acceptable to the district.

2020-03 Information Technology - Application Security: Application Logon Security - Transfinder

The district implemented a cloud version of Transfinder. The latest version requires a username and password.