Finding 1 – Extraclassroom Programs: In reviewing the cash receipts in the extraclassroom activities, two transactions from a sample of twenty-five where it appears sales tax should have been charged, however no sales tax was charged. Further, it was found that there are dormant clubs that have not been closed out.

Recommendation: The District should ensure that sales tax is being collected on all items that meet the criteria for sales tax. Further, it is recommended that all clubs be monitored closely and if a club in inactive for longer than one year, the club(s) should be closed out and any remaining funds should be transferred to the general student organization.

District Response: The District agrees with these recommendations and will be working with the Central Treasurer, Deputy Central Treasurer, and the Chief Faculty Counselor. We will also make sure that all Clubs are given copies of the District policy that governs Extraclassroom, “The Safeguarding, Accounting and Auditing of Extraclassroom Activity Fund” along with a sales tax chart.

Responsible: Stephanie Coddington, Central Treasurer, Patti Clancy, Deputy Central Treasurer, Scott Carroll, Chief Faculty Counselor, Susan L. Brown, District Treasurer

Implementation Date: 11/01/2018
**Finding 2 – Procurement, Suspension and Debarment:** Implementation of the procurement standards in 2 CFR sections 200.317 through 200.326 of the Uniform Guidance is required for the District’s Fiscal year beginning July 1, 2018. The District must:

A: Have written standards covering conflicts of interest with regards to the selection, award, and administration of contracts

B: Ensure that state or local geographical preferences in evaluation of bids do not apply federally funded programs

C: Have a clause regarding micropurchases and simplified acquisitions thresholds

D: Ensure procurements provide full and open competition

E: Have evidence that the contractor is not debarred, suspended.

**Recommendation:** We recommend the District review the 2 CFR sections 200.317 through 200.326 of the Uniform Guidance and ensure the District’s procurement policy is in compliance with all requirements.

**District Response:** The District agrees with the recommendation and will make any necessary changes to policy so that we are in compliance. We will work with the Erie1 BOCES Policy Services Division to review and amend policies to ensure proper compliance with any updates that have been made to the Uniform Guidance.

**Responsible:** Patrick Flaitz, Business Official/Purchasing Agent

**Implementation Date:** 02/01/2019
FINDING 3 – Capital Asset Inventories: The District had a valuation performed of its capital assets. As a result of this inventory, the District reported certain reclassifications to its capital asset categories.

Recommendation: That the District perform regular reviews of its capital asset inventory to ensure that the details and classifications of the assets are appropriate.

District Response: The District agrees with the recommendation and will review its capital assets regularly.

Responsible: Patrick Flaitz, Business Official

Implementation Date: 01/01/2019