

**RESOLUTION TO ACCEPT THE CORRECTIVE
ACTION PLAN FOR INTERNAL AUDIT REPORT**

BE IT RESOLVED, that the Southern Westchester Board of Cooperative Educational Services, at its February 13, 2019 Board Meeting, accept the Corrective Action Plan for the Internal Audit Report dated October 16, 2018 from our Internal Auditor, Cullen and Danowski, LLP, with regard to the update of the BOCES Risk Assessment.




BOCES Southern Westchester

THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES

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STEPHEN J. TIBBETTS
Assistant Superintendent
Business and Administrative Services

To: Board of Education

From: Stephen J. Tibbetts 

Subject: Internal Audit Response – Risk Assessment Update Report

Date: February 6, 2019

Re: Risk Assessment Update Report from Cullen & Danowski, LLP dated October 16, 2018

The following are SWBOCES responses to the recommendations contained in the above referenced letter:

Status of Prior Observations and Recommendations (Open Items)

Communication of Terminations

Recommendation

The Internal Auditor recommends that HR should develop procedures to ensure that when an employee leaves it is communicated immediately to the Payroll Department to avoid paying employees for time not worked.

SWBOCES Response

Southern Westchester BOCES is in agreement with this recommendation and will develop the recommended procedures. The target date to have this completed is June 30, 2019.

Termination of Health Insurance Benefits

Recommendation

The Internal Auditor recommends health insurance should be terminated at the end of the month that the employee terminates employment. Every effort should be made to collect the employee health insurance contribution prior to the employee leaving.

SWBOCES Response

SWBOCES is in agreement with this recommendation and will look to make proposals to change contractual obligations in expiring contracts and also will look to change the past practice in future Terms and Conditions of Employment documents for non-represented BOCES staff.

Contract Language

Recommendation

The Internal Auditor recommends the contract language related to call-ins and building checks should be clearly defined and the rate of pay assigned to these duties be clearly established in the next contract. Also, if there is a difference in the rate of pay paid to employees on a Sunday and a holiday, this should clearly be defined in the contract language.

SW BOCES Response

SWBOCES is in agreement with this recommendation and has implemented this change with the CSEA Bargaining Unit. In addition, this will become part of the contract change proposals submitted by SWBOCES in negotiations with the Teamsters Bargaining Unit.

Status of Prior Observations and Recommendations (Closed Items)

Longevity Payments

Recommendation

The Internal Auditor recommended that HR should review all employees to ensure that each employee who should be receiving longevity payments is correctly paid. Also procedures should be developed to ensure that an appointment is added for each new hire to allow WinCap to systematically calculate each employee's longevity. Additionally, the procedures should identify steps to take during the annual rollover process to review longevity for each employee.

SWBOCES Response

This recommendation has been implemented and the issue is considered closed by the Internal Auditor.

Contract Language Change

Recommendation

The Internal Auditor recommended that during the next contract negotiations, add language to bargaining unit contracts to require retirees who opt to be covered by Empire Healthchoice health insurance in retirement to pay the difference in cost to SW BOCES.

SWBOCES Response

This recommendation has been implemented and the issue is considered closed by the Internal Auditor.

Removal of Social Security Number from Invoice

Recommendation

The Internal Auditor recommended that SWBOCES work with New York State Health Insurance Program to remove the employees' social security numbers as an identifier on the health insurance enrollee listing to strengthen controls over sensitive personal data.

SWBOCES Response

This recommendation has been implemented and the issue is considered closed by the Internal Auditor.

Review of Annual Rate Increases

Recommendation

The Internal Auditor recommended that annual rate increases for officials be entered by one person and then checked by a second person to ensure accuracy of amounts entered into Sports Pak. Additionally, SW BOCES should work with Sports Pak to determine if amounts for fees for items such as game and half fees and late fees, etc., can be entered into Sports Pak and, therefore, be selected from a drop down menu, rather than having to enter amount each time to avoid errors.

SWBOCES Response

This recommendation has been implemented and the issue is considered closed by the Internal Auditor.

Contract Language Update

Recommendation

The Internal Auditor recommended that during the next contract SW BOCES should consider adding the items for which officials are paid for that are not currently in the contract negotiations.

SWBOCES Response

This recommendation has been implemented and the issue is considered closed by the Internal Auditor.

Use of Credit Card

Recommendation

The Internal Auditor recommended that SWBOCES considering strengthening the controls over purchasing items on a SWBOCES credit card by establishing procedures that one person picks up the materials at the vendor and pays through use of the credit card, and when the goods are delivered to SWBOCES a second person should sign off to indicate receipt of the items. The procedures should also include a requirement for the individual making the purchase to record a reason for purchase or project for which the item will be used.

SWBOCES Response

This recommendation has been implemented and the issue is considered closed by the Internal Auditor.

Time and Material Billings

Recommendation

The Internal Auditor recommended that SWBOCES ensure that all invoices for projects with time and material bids have third party invoices attached to substantiate any mark-up percentage detailed in the bid. This documentation should be attached to the invoice for review by the Claims Auditor. SWBOCES should also consider updating bid language for items not originally included in the specific bids.

SWBOCES Response

This recommendation has been implemented and the issue is considered closed by the Internal Auditor.

Fuel Delivery Tickets

Recommendation

The Internal Auditor recommended that SWBOCES develop procedures to attach the delivery ticket detailing the number of gallons of fuel delivered and state contract pricing for the type of fuel on the date purchased to the invoice for the Claims Auditor to review.

SWBOCES Response

This recommendation has been implemented and the issue is considered closed by the Internal Auditor.

Provide Supporting Documentation

Recommendation

The Internal Auditor recommended that SWBOCES develop procedures for the O&M Department to attach or otherwise make available all the necessary documentation (i.e., prevailing wage documents, state contract pricing) to invoices for review by the Claims Auditor.

SWBOCES Response

This recommendation has been implemented and the issue is considered closed by the Internal Auditor.