

November 29, 2016

Sherrri Fisher
South Colonie Central Schools
102 Loralee Drive
Albany, New York 12205

RE: District Response to Internal Audit Risk Assessment

Dear Ms. Fisher:

The firm Michael Wolff Advisory Services performed a Risk Assessment as part of our Internal Audit for 2016-2017 school year. As part of the audit process, they issued a report, dated November 28, 2016. This report will be presented to our Board of Education's Audit-Finance Committee. The focus area for the 2016-2017 internal audit will be Cafeteria operations with a focus on cash controls.

The 2016-2017 Risk Assessment did not result in any findings. However, the following comments were made.

Risk Assessment Comment:

An updated overtime rule goes into effect December 1, 2016; Management should monitor compliance with the new regulations.

Response:

The District is aware of this new regulations and is reviewing their current practices to ensure that District is in compliance.

Risk Assessment Comment:

One cash receipt appeared to take 11 days to be deposited. It is recommended that cash receipts are deposited in a timely manner.

Response:

Deposits are made daily. From time to time, there may be a hold up due to an employee's vacation or if there is an issue with the funds received that needs to be researched.

Risk Assessment Comment:

Three accounts had outstanding checks that were greater than 90 days old. Aged outstanding checks should continue to be followed up upon to try and resolve the open items.

Response:

Outstanding checks are followed up on monthly. Due to various factors, there may be some checks that cannot be resolved. These items are sent to unclaimed funds, but can only be sent after they are three years old.

Risk Assessment Comment:

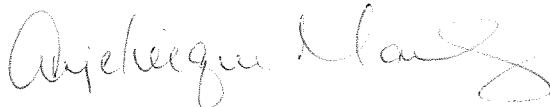
A correction action plan from 2015-2016 Internal Audit focus area has been established for this review (District-wide inventory). Management and the Audit Committee should continue to monitor the district's progress and results.

Response:

Management is continuing to monitor fixed assets and how they are managed.

Sincerely yours,

SOUTH COLONIE CENTRAL SCHOOLS



Anjelieeque Martinez
Business Office Manager/
District Treasurer