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January 14, 2010

Mr. Garry F. Stone, Superintendent
Members of the Board of Education
Brockport Central School District
40 Allen Street
Brockport, NY 14420-2296

Report Number: 2007M-63-F

Dear Superintendent Stone and Members of the Board of Education:

One of the Office of the State Comptroller's primary objectives is to identify areas where local government officials can improve their operations and provide guidance and services that will assist them in making those improvements. Further objectives are to develop and promote short-term and long-term strategies to enable and encourage officials to reduce cost, improve service delivery and to account for and protect their assets. In accordance with these objectives, we conducted an audit of the Brockport Central School District (District) to assess the financial operations of the District. As a result of our audit, we issued a report dated June 2007, identifying certain conditions and opportunities for District management's review and consideration.

To further our policy of providing assistance to local governments, we revisited the District in September 2009 to review the District's progress in implementing our recommendations. Our follow-up review was limited to interviews with District personnel and inspection of certain documents related to the issues identified in our report. We reviewed the District's records and documentation for the period July 2008 through June 2009. Based on limited procedures, it appears that the District has made considerable progress in implementing corrective action. We found that all four recommendations were fully implemented.

Recommendation 1 – Update policy

The Board should update its policy to include procedures for monitoring credit card usage to ensure that District officials comply with the Board policy.

Status of Corrective Action: Fully Implemented

Observations/Findings: The Board's claims auditor policy has been updated to require the claims auditor to monitor credit card purchases and submit a report of irregular transactions to the Board.

Recommendation 2 – Reduce number of credit cards

District officials should cancel cards that are not accounted for and consider reducing the number of credit cards that they issue to employees.

Status of Corrective Action: Fully Implemented

Observations/Findings: District officials have reduced the number of credit and purchase cards from 77 to 21, all of which are accounted for.

Recommendation 3 – Purchase order issued prior to each credit card purchase

District officials should require that a purchase order be issued prior to each credit card purchase in an amount sufficient to cover the cost of the goods and services ordered.

Status of Corrective Action: Fully Implemented

Observations/Findings: The District’s accounts payable procedures state that “A purchase order must be issued prior to ordering all goods and services.” In addition, the procedures require each building/department to have an approved purchase order in place before allowing any employee to make a purchase using store purchase cards. We reviewed 65 purchases totaling \$9,500 and found no material exceptions.

Recommendation 4 – Original receipts attached to credit card claims

The Board should require that original supporting receipts be attached to credit card claims.

Status of Corrective Action: Fully Implemented

Observations/Findings: The District’s credit card policy and accounts payable procedures require that original receipts be obtained and submitted with claims for processing. We reviewed 65 purchases totaling \$9,500 and found no material exceptions.

During our review, we discussed the basis for our recommendations and the operational considerations relating to these issues. We encourage you to continue with your efforts to implement our recommended improvements in your fiscal management.

I trust that our follow-up review was of assistance to you. If you have any further questions, please contact Edward V. Grant, Jr., Chief Examiner of our Rochester Regional Office at 585-454-2460.

Sincerely,

Steven J. Hancox
Deputy Comptroller
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Division of Local Government
and School Accountability