

**Rush-Henrietta Central School District  
BUSINESS OFFICE**

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MEMO TO: Lawrence Bo Wright  
FROM: Andy Whitmore  
RE: Internal Audit Corrective Action Plan  
DATE: April 27, 2022

Shown below is the management response to the Rush-Henrietta Central School District's "Internal Control Risk Assessment:"

**Current Year Risk Assessment Findings:**

**Payroll and Personnel -**

For a number of years the district has instituted a practice of having both the Budget technician and the Assistant Superintendent of Finance review and certify the payroll registers for each pay period. The budget technician budgets all staffing needs so the review ensures the positions are in alignment with the budget staffing levels and pay rates while the Assistant Superintendent reviews to ensure the overall payroll cost is reasonable and aligns with expectations. This year, both employees in the payroll department resigned and new employees were hired. They had not yet been trained in the requirement for a payroll register review and approval process.

After their initial transition period the payroll register review and approval process was reinstated, but their first payroll cycle had not been reviewed. The department is now fully aware of the review and approval process and the missing payroll review and approval has now been completed. The routine review and approval process is now operational for each payroll cycle.

**Food Services -**

Because of federal government funding nationwide for all school food service programs the Food Services department expects to generate a healthy surplus for the 2021-22 school year. Since the federal government is providing reimbursement for every school meal this year, at an enhanced rate, the program's actual costs are being covered. In a typical year, however, the majority of meals are paid by the student and the district has provided a subsidy to enable reasonable prices for the student body. It is anticipated a subsidy will be needed again next year, as the federal funding for all students will no longer exist.

Each year the Board of Education authorizes a subsidy to Food Services in the General Fund budget. This ensures affordable, nutritious food is available to all Rush-Henrietta students. Due to pandemic supply and labor constraints the cost to run the Food Services program has significantly increased. Double-digit price increases are being experienced in both food and supply costs and the district increased its hourly pay

rate by over 9% in order to retain and attract employees to fill its numerous openings. Although the Food Services department maintains tight control over food waste and labor efficiencies, the current economic environment is resulting in significant operating cost increases. To prevent sharp meal price increases, so student participation is maintained, the Board of Education authorized additional subsidies to ensure the ongoing availability of nutritious food to our students.

Please let me know if you have any questions regarding the Corrective Action Plan.