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Dr. Edwin M. Quezada
Superintendent of Schools

March 23, 2021

New York State Education Department
Office of Audit Services
89 Washington Avenue
Room 524 EB
Albany, NY 12234

Dear Mr. Cushin:

Below, please find the Yonkers City School District's response to findings and recommendations of the Risk Assessment Report, which was performed by the district's internal auditors, Nawrocki Smith, LLP.

The Yonkers City School District hereby submits a Corrective Action Plan for the Risk Assessment Report which is required under Section 170.12 of the Regulations of the Commissioner of Education in response to issues identified in the 2020 Risk Assessment Update Report provided to the district by our internal auditors. Please note that the information below is intended to ensure that the district properly accounts for the findings contained in the report titled "Yonkers City School District, Risk Assessment Update Pertaining to the Internal Controls of District Operations, November 2020."

Recommendation #1

The District should consider developing an automated workflow process for employee leave days and payroll timesheets that currently require physical forms to document their requests and approvals. The electronic workflow system should automatically route the request for approval and collect all required documents and attachments to the designated approver every time. Audit logs should be developed to capture the details of the transactions including the individuals requesting and approving the transactions for further review by Management and Auditors. This will assist the District in maintaining an efficient workflow management process, processing transactions in a timely manner, and increasing accountability of the requestors and approvers. Upon request, Nawrocki Smith will assist in the development of the automated workflow system(s).

Response

The City of Yonkers will be developing the process during the second phase of the current HR/Payroll system transition from Ceridian to NextGen Highline.

Recommendation #2

During its implementation and testing process, we recommend that the Benefits Departments consult with the Information Technology Department to evaluate the system's controls in protecting PII (Personally Identifiable Information) to ensure that only authorized administrators are able to access the information.

Response

The new payroll/HR system is built with internal security at every level. An individual's password is tied to his/her profile and that profile enables access to only the sections of the application that the individual is authorized to use. In addition, there is an auditing function in the database that enables the tracking of each user.

Recommendation #3

The Finance Department should review the detail of our observations and confirm the reasons surrounding the identical vendor IDs, names, addresses, and Federal IDs. Additionally, the Finance Department should confirm that there are no duplicate payments to vendors with identical vendor IDs, names, addresses, and Federal IDs. The Finance Department should determine whether or not the vendors with identical vendor IDs, names, addresses, and Federal IDs have business activity with the District and consider deactivating their status within the vendor database, if appropriate.

The Finance Department should establish a practice of reviewing the vendor federal ID numbers as reported on the Form W9 – Request for Taxpayer Identification Number and Certification for possible identical information in the database prior to entering the vendor's information into the District's vendor database.

Response

The Finance Department has reviewed the detail of the auditor observations and found the main reason for what appears to be duplicate vendor names and numbers is due to one vendor having multiple contacts. This is a valid data condition. Other observations that will require further analysis are duplicate addresses and Federal IDs. Finance will review and take appropriate action. Finance currently mitigates the risk of duplicate payments in the accounting system by the use of unique vendor invoice numbers. Finance agrees with the auditor recommendation to review vendor Federal ID numbers as reported on the Form W9 against the existing database. This is the current practice. Finance will be actively researching the existing vendor data and intends to address older records in fiscal year 2021.

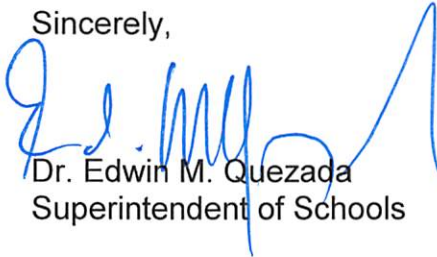
Recommendation #5

The Finance Department should establish a practice of reviewing the activity of each vendor at the end of a fiscal year and update the District's vendor database by inactivating the vendors that have not been utilized within the three (3) prior consecutive fiscal years.

Response

Finance is in agreement with the auditor recommendation to review the activity of each vendor at the end of a fiscal year. The last vendor cleanup was part of the conversion effort to the current accounting system in fiscal year 2017. This will become an annual review in fiscal year 2021.

Sincerely,

A handwritten signature in blue ink, appearing to read "E. M. Quezada", with a long, sweeping flourish extending to the right.

Dr. Edwin M. Quezada
Superintendent of Schools