

CORRECTIVE ACTION PLAN

Unit Name: Niagara Falls City School District
Audit Report Title: Out-of-District Tuition Billing
Audit Report Number: 2020M-73

Audit Recommendation:

Consult with legal counsel concerning options available for addressing prior overpayments.

Implementation Plan of Action(s):

The District has already adjusted the 2019-2020 charter school invoices for students with disabilities based upon the audit findings.

The next step is to finalize a correct amount for prior periods and contact the charter school to initiate a repayment plan to the satisfaction of both parties..

Implementation Date:

It is the intention of the District to begin the process of reconciliation and collection during the 2020-2021 fiscal year.

Person Responsible for Implementation:

The Administrator for School Business Services will be responsible for the reconciliation, notification and collection.

Audit Recommendation:

Develop and adopt written policies and procedures establishing clear roles and responsibilities, resources (e.g., annual review of updated SED State aid handbooks and formulas and/or rates) and methods for monitoring out-of-district tuition billing rates and supporting documentation to ensure the billings are accurate, supported and the District's financial responsibility, prior to payment.

Implementation Plan of Action(s):

The District has prepared the following process and procedures to be used going forward:

Charter School Invoices

Existing Process:

The Secretary for the Business Office receives Charter School invoices. The students are then verified by the Secretary to be NFCSD residents along with the dates of enrollment or exit. If the invoice includes students with disabilities, the Secretary for the Committee on Special Education verifies that the students have IEPs and will approve. After ensuring the student roster is accurate, the invoice is approved by the School Business Official for payment, at which point it is entered by Accounts Payable and audited by the internal claims auditor before a check is disbursed.

New Process:

The Secretary for the Business Office receives Charter School invoices. The students are then verified by the Secretary to be NFCSD residents along with the dates of enrollment or exit. If the invoice includes students with disabilities, the Secretary for the Committee on Special Education verifies that the students have IEPs and will approve. A member of the Committee on Special Education will ensure that the student is being invoiced at the correct amount based upon the service level that is provided in his/her IEP. After ensuring the roster is accurate, the Accountant will verify that the correct rates are utilized in the calculation and will maintain a master reconciliation of the student roster. After ensuring the rates are accurate and the invoice is correct, the invoice is approved by the School Business Official for payment, at which point it is entered by Accounts Payable and audited by the internal claims auditor before a check is disbursed.

Foster Care Tuition Invoices

Existing Process:

The Secretary for the Business Office receives foster care tuition invoices. The student is then verified by the Secretary to be a NFCSD resident along with the dates of attendance. After ensuring the student roster is accurate, the invoice is approved by the School Business Official for payment, at which point it is entered by Accounts Payable and audited by the internal claims auditor before a check is disbursed.

New Process:

The Secretary for the Business Office receives foster care tuition invoices. The student is then verified by the Secretary to be a NFCSD resident along with the dates of attendance. If the invoice includes a student with disabilities, the Secretary for the Committee on Special Education verifies that the student has IEPs and will approve. A member of the Committee on Special Education will ensure that the student is being invoiced at the correct amount based upon the service level that is provided in his/her IEP. After ensuring the student roster is accurate, the Accountant will verify that the correct rates are utilized in the calculation and will maintain a master reconciliation of the student roster and will ensure that any adjustments are made when the final tuition rates are released. After ensuring the rates are accurate and the invoice is correct, the invoice is approved by the School Business Official for payment, at which point it is entered by Accounts Payable and audited by the internal claims auditor before a check is disbursed.

McKinney-Vento Tuition Invoices

Existing Process:

The Secretary for the Business Office receives McKinney tuition invoices. The student is then verified by the Secretary to be a NFCSD resident along with the dates of attendance. After ensuring the student roster is accurate, the invoice is approved by the School Business Official for payment, at which point it is entered by Accounts Payable and audited by the internal claims auditor before a check is disbursed.

New Process:

The Secretary for the Business Office receives McKinney-Vento tuition invoices. The student is then verified by the Secretary to be a NFCSD resident along with the dates of attendance, the appropriate DSS forms and attendance dates will be included with the invoice. If the invoice includes a student with disabilities, the Secretary for the Committee on Special Education verifies that the student has IEPs and will approve. A member of the Committee on Special Education will ensure that the student is being invoiced at the correct amount based upon the service level that is provided in his/her IEP. After ensuring the student roster is accurate, the Accountant will verify that the correct rates are utilized in the calculation and will maintain a master reconciliation of the student roster and will ensure that any adjustments are made when the final tuition rates are released. After ensuring the rates are accurate and the invoice is correct, the invoice is approved by the School Business Official for payment, at which point it is entered by Accounts Payable and audited by the internal claims auditor before a check is disbursed.

Full Day Tuition Invoices

Existing Process:

The Secretary for the Business Office receives full day tuition invoices. The invoice is forwarded to the Secretary for the Committee on Special Education, where the student roster and dates of attendance are verified. After ensuring the student roster is accurate, the invoice is approved by the School Business Official for payment, at which point it is entered by Accounts Payable and audited by the internal claims auditor before a check is disbursed.

New Process:

The Secretary for the Business Office receives full day tuition invoices. The invoice is forwarded to the Secretary for the Committee on Special Education, where the student roster and dates of attendance are verified. The Accountant will then verify that the correct rates are utilized in the calculation and will maintain a master reconciliation of the student rosters and will ensure that any adjustments are made when the final tuition rates are released. After ensuring the rates are accurate and the invoice is correct, the invoice is approved by the School Business Official for payment, at which point it is entered by Accounts Payable and audited by the internal claims auditor before a check is disbursed.

Implementation Date:

The process has already been implemented.

Person Responsible for Implementation:

The Administrator for School Business Services will be responsible for adherence to the new procedures

Audit Recommendation:

Thoroughly review tuition invoices to ensure that billings are accurate and supported.

Implementation Plan of Action(s):

The District has instituted the aforementioned changes in procedures and is monitoring all out-of-district tuition invoices accordingly.

Implementation Date:

The process has been implemented and is ongoing.

Person Responsible for Implementation:

The Administrator for School Business Services is responsible.

Audit Recommendation:

Annually review SED State aid handbooks and formulas and/or rates for any updates applicable to out-of-district tuition billings.

Implementation Plan of Action(s):

The District has instituted the aforementioned changes in procedures and is monitoring all documents published by the state to ensure compliance with any change in regulations.

Implementation Date:

The process has been implemented and is ongoing.

Person Responsible for Implementation:

The Administrator for School Business Services is responsible.

Signed:



Date

09-25-2020