Plainedge Union Free School District

Internal Audit Report on

Human Resources

TABLE OF CONTENTS

R.S. ABRAMS & CO., LLP
Accountants & Consultants for Over 75 years

Robert S. Abrams *(1926–2014)*

Marianne E. Van Duyne, CPA
Alexandria M. Battaglia, CPA
Brendan Nelson, CPA

Board of Education
Plainedge Union Free School District
241 Wyngate Drive
North Massapequa, NY 11758

We have been engaged by the Board of Education (the "Board") of the Plainedge Union Free School District (the "District") to provide internal audit services with respect to the District's internal controls related to the human resource processes for the period July 1, 2022 through January 31, 2023.

The objectives of the engagement were to evaluate and report on the District's internal controls pertaining to the human resource processes and to test for compliance with laws, regulations, and the District's Board policies and procedures.

In connection with the following procedures, we have provided findings and recommendations for the internal controls related to the human resource processes. Our procedures were as follows:

- Reviewed the District's Board policies and procedures pertaining to the human resource process;

- Interviewed key District employees involved in the human resource processes, and performed a detailed walkthrough of the human resource procedures;

- Tested a sample of newly hired employees' personnel files for the 2022-2023 school year to determine whether the new hire was properly appointed by the Board, and whether District obtained the following documentation:

    - Employment application;
    - Department of Homeland Security Form I-9;
    - Fingerprint Clearance Form;
    - Proper Certifications and/or Qualifications;
    - Telephone Reference Form;
    - Retirement System Election Form;
    - Signed Oath of Allegiance Form; and
    - Completed New Hire Checklist.

- Tested a sample of personnel files for five instructional and five non-instructional existing employees to determine whether the following documents were maintained on file:

  - Department of Homeland Security Form I-9;
  - Fingerprint Clearance Form;
  - Proper Certifications and/or Qualifications;
  - Signed Oath of Allegiance Form; and
  - Annual Salary Notice.

- Tested a sample of personnel files for five employees who separated from the District during the 2022-2023 school year to determine whether:

  - There was a retirement, resignation, or termination letter in the employee's personnel file;
  - The Board formally accepted the retirement/resignation/termination;
  - The former employee was properly removed from payroll;
  - If the employee was entitled to a separation payment, the payment was properly calculated in accordance with the employment contract, and reviewed and approved by an appropriate administrator; and
  - The employee's access to the District's network, email, accounting information system, student information system, and individualized education program software was inactivated.

- Tested a sample of employees' evaluations and observations for fiscal year 2022-2023 to determine whether the District is conducting evaluations and observations in accordance with Board approved employment contracts;

- Tested a sample of pay periods in which various employees were recorded absent in the accounting information system, noting whether the time off was requested and approved in accordance with District policy;

- Tested a sample of ten employees from the attendance rollover from June 30, 2022 to July 1, 2022, noting whether their paid time off accrual was granted in accordance with their respective employment contract.

The results of our procedures are presented on the following pages.

Our procedures were not designed to express an opinion on the internal controls related to the human resource processes, and we do not express such an opinion. As you know, because inherent limitations of any internal control, errors or fraud may occur and not be prevented or detected by internal controls. Also, projections of any evaluation of the accounting system and controls to future periods are subject to the risk that procedures may become inadequate because of changed conditions.

We would like to acknowledge the courtesy and assistance extended to us by personnel of the District. We are available to discuss this report with the Board or others within the District at your convenience.

This report is intended solely for the information and use of the Board, the Audit Committee and the management of the District and is not intended to be and should not be used by anyone other than those specified parties.

Very truly yours,

R.S. Abrams & Co., LLP
March 3, 2023

GOVERNANCE

During our review of the Board policy manual, we noted that the Board has adopted the following policies that relate to the District's human resource processes:

Equal Employment Opportunity
The District's *Equal Employment Opportunity* policy, No. 0100, states that the District shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, creed or religion, marital status, sex, age, or disability.

Sexual Harassment
The District's *Sexual Harassment* policy, No. 0110, defines sexual harassment, and describes the Board's commitment to provide an educational and working environment that promotes respect, dignity, and equality, and that is free from all forms of sexual harassment. The Board prohibits and condemns all forms of sexual harassment on school grounds, school buses and at all school-sponsored activities, programs, and events.

Conditional Appointment and Emergency Conditional Appointment
The District's *Conditional Appointment and Emergency Conditional Appointment- Student Safety* policy, No. 9260, states that the Board recognizes there will be instances in which it may be necessary to make a conditional, or emergency conditional appointment. The policy describes the measures the District will take to ensure the safety of students in these instances. The policy states that the District will also limit the conditional appointee's contact with students to the extent practical.

Drug-Free Workplace
The District's *Drug-Free Workplace* policy, No. 9320, prohibits the manufacture, distribution, possession, and/or illegal use of any controlled substances in the workplace. The District's *Drug-Free Workplace Regulation,* No. 9320-R, describes the specific requirements for the Superintendent and all District employees.

Code of Ethics
The District's *Board Member, School District Officers and Employee Code of Ethics* policy, No. 2160, acknowledges that sound, ethical standards of conduct serve to increase the effectiveness of District staff as educational leaders. The Policy provides a code of conduct to which all District employees are required to adhere. The policy also states that the *Code of Ethics* must be distributed to all District employees, and a copy shall be furnished to all newly hired employees prior to beginning employment.

Staff Complaints and Grievances
The District's *Staff Complaints and Grievances* policy, No. 9140.1, acknowledges the right of staff members to present complaints and grievances in accordance with established procedures free from coercion, interference, restraint, discrimination, or reprisal. The policy describes the procedures, and states that the District shall publish a notice of the established procedures at the beginning of each school year.

HIRING PROCEDURES

Upon the exit of an existing employee, the Deputy Superintendent confers with the building principal or the chair of the relevant department to determine whether the employee should be replaced. They may determine that a new employee should be hired to fill the same position, that a new employee should be hired in a different position, or that no new employee is needed at that time.

Once it is determined that a new employee should be hired, the hiring process varies based on whether the position is instructional, certified non-instructional, or non-certified non-instructional.

Instructional Positions:

The position is first posted internally via an email to all District employees and posted on the website *On-line Application System* ("OLAS"). The building administrator reviews all the resumes received, both internally and on OLAS, and contacts the candidates to set up a comprehensive interview. If the interview is successful, the candidates are contacted for a second interview and possibly to perform a demonstration lesson with the special committee. After the demonstration lesson has occurred, the supervisor recommends one candidate to the Deputy Superintendent to set up a final interview.

The building administrator is responsible for contacting at least three of the candidate's references and documents the outcome of each call. The building administrator then forwards all pertinent information including application, references and a letter of recommendation to the senior clerk typist for human resources. The senior clerk typist for human resources will verify the candidate's transcripts/education, certifications and fingerprint clearance via a web-based computer system, Teacher Education And Certification Help ("TEACH"). After the verification process is completed, the candidate is contacted to schedule a final interview and instructed to bring a driver's license and social security card.

The Deputy Superintendent and/or Superintendent conducts the interview and discusses the job offer and salary with the candidate. If the candidate accepts the position, the candidate signs the commitment agreement and the Deputy Superintendent signs. The potential employee's name, certification, tenure area, assignment, salary and beginning and ending of the probationary period are placed on the next Board agenda, where the Superintendent will recommend the candidate for the position. The Board of Education makes the final decision to approve or disapprove the employment. The approval of employment is documented in the Board minutes.

Certified Non-Instructional Positions:

The senior clerk typist for human resources submits a job description for the specific position they're looking to hire to the Nassau County Civil Service Commission requesting a list of possible candidates who have passed the exam. Once the list is received, it's reviewed for qualified individuals and those individuals are mailed a canvas letter inquiring if they are interested in the vacant position. If no one responds to the canvas letter, the senior clerk typist

for human resources will continue to send letters to the next grade level from highest to lowest until a candidate responds.

The building administrator and/or department supervisor reviews the resumes received and contacts the candidates to set up a comprehensive interview. The building administrator and/or department supervisor is also responsible for contacting at least three of the potential candidates' references and documents the outcome of each call. After receiving all information requested, the building administrator and/or department supervisor forwards all pertinent information including application, references, and a letter of recommendation to the senior clerk typist for human resources. The senior clerk typist for human resources verifies the candidate's fingerprint clearance via TEACH. After the verification process is completed, the candidate is contacted to schedule a final interview and instructed to bring a driver's license and social security card.

The Deputy Superintendent conducts the interview and discusses the job offer and salary. If the candidate accepts the position, the candidate is requested to complete and/or submit the necessary documents including, but not limited to, an application with references, and employee eligibility verification form (I-9). The potential employee's name, assignment, beginning and ending of the probationary period, salary, and step/level is placed on the next Board agenda for approval. If the Board approves the candidate, the senior clerk typist for human resources submits a *CS-12* to the department of civil service, reporting the new hire. This individual is then removed from the civil service list.

Non-Certified Non-Instructional Positions:

The senior clerk typist for human resources submits a job description for the specific position to department of civil service. Additionally, the District posts the job internally via email to all District employees. All resumes and letters of interest are sent to the building administrator or department supervisor.

The building administrator and/or department supervisor reviews the resumes and contacts the candidates to set up a comprehensive interview. The building administrator and/or department supervisor is also responsible for contacting at least three of the potential candidates' references and documents the outcome of each call. This information is then forwarded to the senior clerk typist for human resources. The senior clerk typist for human resources will verify the candidate's fingerprint clearance via TEACH.

If the candidate accepts the position, the candidate is requested to complete and/or submit the necessary documents including, but not limited to, an application with references, and employee eligibility verification form (I-9). The potential employee's name, assignment, beginning and ending of the probationary period, salary, and step/level is placed on the next Board agenda. The Board makes the final decision to approve or disapprove the employment. If approved by the Board, the senior clerk typist for human resources sends a letter to the employee stating they have been approved by the Board.

All Non-Instructional Positions:

The position is posted internally on the District's website, emailed to all District employees, and posted on the OLAS website. If needed, the position is then advertised in the New York Times and/or other media outlets and job recruitment venues.

A committee is formed consisting of key individuals from various groups and administration. The Deputy Superintendent reviews the resumes that are received and selects potential candidates to set up a comprehensive interview process, which includes an initial screening interview with the Deputy Superintendent, Assistant Superintendents for Curriculum and Instruction, and the PAA President or their designee. All candidates being recommended to move forward in the process from the initial screening interview are scheduled to meet with a larger committee made up of administration and representation from various groups for a comprehensive interview. The finalists being recommended to move forward in the process from the comprehensive committee interview will be scheduled for a final interview with the Superintendent and Central Administration.

The finalist will be made a salary offer and will be onboarded by the senior clerk typist for human resources. The senior clerk typist for human resources then verifies and prints the candidate's certifications and fingerprint clearance from the TEACH website. Subsequently, the potential employee's name and assignment is placed on the next Board agenda.

The Board makes the final decision to approve or disapprove the employment. If the Board approves the employment, it is documented in the minutes and a copy of their employment contract is provided to the administrators. Once the Board approval has taken place, the senior clerk typist for human resources sends a letter to the newly appointed employee to inform them that the Board has approved their employment.

NEW HIRE PROCESSING

Once an individual has been hired and formally appointed by the Board, the District Clerk provides the *Personnel Action Reports* from the Board packet to the Payroll Supervisor in the payroll department notifying them of the new hire. The senior clerk typist for human resources enters the new employee information, such as salary, number of pays, and tax withholding information into *WinCap,* the District's accounting information system. The Payroll Supervisor enters the benefits deduction information, the budget code, verifies the correct pay rate, and activates the employee in *WinCap* once their employment has been approved by the Board of Education.

EMPLOYEE SEPARATIONS

If an employee is separating from the District, the human resources department verbally contacts the payroll department to notify them of those individuals who are leaving the District. The Payroll Supervisor reviews the *Personnel Action Report* in the Board packet for employees who will be leaving the District on a regular basis prior to being contacted by the human resources department. The senior clerk typist for human resources will enter the employee's last day of

employment into *WinCap*. The *WinCap* system automatically generates the final paycheck, which is then verified by the Payroll Supervisor. The senior clerk typist for human resources prints the employee's attendance record from *WinCap* and calculates the number of days the employee is entitled to be paid out upon separation from the District, based upon contract stipulations. The senior clerk typist for human resources will then complete a *Payout Authorization of Sick, Vacation and Personal Days Form* that indicates the number of vacation and sick days and any applicable retirement incentives to determine the employee's final payout. The Payroll Supervisor reviews the *Payout Authorization of Sick, Vacation and Personal Days Form* to ensure the final payout is calculated correctly. The employee will also receive a copy of this form to sign and return to the Business Office. The senior clerk typist for human resources will then change the employee to an inactive status in the payroll system. Once the employee is inactive in the payroll system, the *Personnel Action Report* is given to the technology department to disable their email address, network access, and any other logins to District software programs, such as *WinCap*, School Dude, Frontline, or IEP Direct. Finally, they will disable the card key and door security access and move all the network data into an archived folder off the network.

PERSONNEL EVALUATION

Personnel evaluations are completed annually for non-certified employees by the building principal. For probationary teachers, two announced and two unannounced in-class observations are conducted by an administrator. Tenured teachers are required to have one announced and one unannounced in class observation annually performed by an administrator. The observation process for teachers is maintained digitally via Staff Track. This program enables teachers, principals and administrators to manage workflow, scheduling, and review observations that have been completed.

Custodial and buildings and grounds employees are evaluated annually. The evaluation forms are completed by the head custodian or Director of Facilities. Administrators and principals are evaluated annually by the Superintendent.

After the evaluations are written, they are provided to the employees to review and sign, and the employees must return the signed evaluation to the evaluator. The employee is provided a copy and the original is forwarded to the Human Resource Department. All non-instructional evaluations are reviewed and signed by the Deputy Superintendent and placed in the employees personnel file with any written rebuttal.

DAILY ATTENDANCE

Vacation Days Requested

Employees who are contractually entitled to vacation days must complete a *Request for Vacation Earned* form to request use of a vacation day. The completed form must be approved by the Building Administrator and Deputy Superintendent or Superintendent prior to the requested day. A clerical employee at the building level verifies that all vacation days have been pre-approved prior to recording it. On the day of the absence, a clerical employee at the building level will note the vacation day on the daily sign in sheet. The senior clerk typist for human resources is responsible for verifying that vacation days were approved prior to recording them.

The clerical employees at the respective buildings enter approved vacation days directly into *WinCap* for custodial and clerical staff after each pay period. Approved vacation days for administrators are entered directly into *WinCap* by the senior clerk typist for human resources after each pay period.

Sick Days Utilized

Teachers can notify the administration of a sick day through *AESOP*, the District's absence management program, until 6 o'clock on the morning of the requested day. If it is after 6 o'clock on the morning of the requested day, the teacher must call the main office to notify administration of the sick day.

All other employees must call the main office to notify administration of the sick day. A clerical employee at the building level will verify that the sick day was properly recorded in *AESOP* if the employee is a teacher, or on the daily sign in sheet for all other employees.

Sick days are exported from *AESOP* and imported directly into *WinCap* after each pay period by the senior clerk typist for human resources.

Personal Days Utilized

Employee's must complete a Special Absence Form to request the use of a personal day. The employee's immediate supervisor and/or administrator is responsible for approval the personal day request. The approved Special Absence Form is given to the clerical staff for the respective building to be entered into *AESOP*.

Personal days are exported from *AESOP* and imported directly into *WinCap* after each pay period by the senior clerk typist for human resources.

ATTENDANCE ROLLOVER

The senior clerk typist for human resources performs the attendance rollover at the beginning of each fiscal year. A report is run from *WinCap* for the previous year end for all employees and their available attendance balance. Within *WinCap*, a process is run to roll forward the year-end balances to the new fiscal year. A new report is then generated which compares each employee against the year end report to ensure all days used were properly deducted and any new days that employees are entitled to are correctly added. All balances are displayed on the employee paystubs. At any point in time, employees can log into *WinCap Web* to review their attendance balances. The Deputy Superintendent reviews the attendance rollover and signs the document.

FINDINGS AND RECOMMENDATIONS

Based on our interviews, observations and detailed testing, we provide our findings and recommendations to further strengthen the District's internal controls as they pertain to the human resource processes as outlined above.

It should be noted that these recommendations are provided to the District to assist management in improving the District's controls relating to human resource processes. It is important to note that our observations and recommendations are directed toward improvement of the system of internal controls and should not be considered a criticism of, or reflection on, any employee of the District.

***

Board Policies and Procedures

Procedure Performed: We reviewed the District's Board policies and procedures pertaining to the human resource processes.

Findings: No exceptions were noted as a result of applying these procedures.

***

New Hires

Procedure Performed: We obtained a sample of five instructional and five non-instructional personnel files for newly hired employees for the 2022-2023 school year to determine whether the new hire was properly appointed by the Board, and whether District obtained the following documentation:

- Employment application
- Department of Homeland Security Form I-9
- Fingerprint Clearance Form
- Proper Certifications and/or Qualifications
- Telephone Reference Form
- Retirement System Election Form
- Signed Oath of Allegiance Form
- Completed New Hire Checklist

Findings: No exceptions were noted as a result of applying these procedures.

***

Personnel Files

Procedure Performed: We obtained a sample of personnel files for five instructional and five non-instructional employees to determine whether the following documents were maintained on file:

- Department of Homeland Security Form I-9
- Fingerprint Clearance Form
- Proper Certifications and/or Qualifications
- Signed Oath of Allegiance Form
- Annual Salary Notice

Findings: No exceptions were noted as a result of applying these procedures.

***

Resignations, Retirements and Terminations

Procedure Performed: We obtained a sample of personnel files for 5 employees who separated from the District between July 1, 2022 and January 31, 2023 to determine whether:

- There was a retirement, resignation, or termination letter in the employee's personnel file.
- The Board formally accepted the retirement/resignation/termination.
- The former employee was properly removed from payroll.
- If the employee was entitled to a separation payment, the payment was properly calculated in accordance with the employment contract and reviewed and approved by an appropriate administrator.
- The employee's access to the District's network, email, accounting information system, student information system, and individualized education program software was inactivated in a timely manner.

Finding: No exceptions were noted as a result of applying these procedures.

***

Evaluations

Procedure Performed: We obtained a sample of 10 employees' evaluations and observations for fiscal year 2022-2023, consisting of five instructional and five non-instructional employees, to determine whether the District is conducting evaluations and observations in accordance with Board approved employment contracts and policy No. 0330, *Evaluation of Professional Staff*.

Finding: No exceptions were noted as a result of applying these procedures.

***

Daily Attendance

Procedure Performed: We tested a sample of 10 employees from pay periods in which various employees were recorded absent, noting whether the time off was requested and approved in accordance with District policy.

Finding: No exceptions were noted as a result of applying these procedures.

***

Attendance Rollover

Procedure Performed: We obtained the attendance rollover from June 30, 2022 to July 1, 2022, noting whether the rollover was reviewed and approved by an appropriate administrator.

Finding: No exceptions were noted as a result of applying these procedures.

Procedure Performed: We tested a sample of 10 employees from the attendance rollover from June 30, 2022 to July 1, 2022, noting whether their paid time off accrual was granted in accordance with their respective employment contract.

Finding: No exceptions were noted as a result of applying these procedures.

***

CORRECTIVE ACTION PLAN

The District is required to prepare a corrective action plan in response to any findings contained in the internal audit reports. As per Commissioner's Regulations §170.12, a corrective action plan, which has been approved by the Board, should be submitted to the State Education Department within 90 days of the receipt of a final internal audit report.

The approved corrective action plan and a copy of the respective internal audit report should be submitted using the NYSED Business Portal.