



Freeport Public Schools

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To Whom it May Concern:

Below, please find the Freeport Public Schools' response to findings and recommendations of the 2021-2022 Annual Risk Assessment Update Pertaining to the Internal Controls of District Operations. The audit was conducted by Nawrocki Smith, LLP.

The Freeport Public Schools hereby submits a Corrective Action Plan for the 2021-2022 Risk Assessment. Management's response required under Section 170.12 of the Regulations of the Commissioner of Education for these recommendations is as follows:

Governance & Planning

1. **Recommendation:** During the course of our audit, we developed narratives regarding employee remote working and telecommuting procedures and a sample employee remote working agreement. We recommend the District consider including the narratives attached to our internal audit report as supplemental enclosures to the existing documented guidelines. Additionally, we recommend that the District consult and review the sample employee remote working agreement with its legal counsel.

Response: *The District will continue to work with its legal counsel in establishing acceptable remote agreement, while updating the necessary policy in this regard. The update to the remote work agreement will be in effect July 1, 2023.*

Accounting & Reporting

2. **Recommendation:** According to the Office of State Comptroller's School District Website Transparency guidelines, the Business Office should post the District's annual external and internal audit reports or corrective action plan on the District's website. This will assist the District in its efforts to communicate its financial information to the public.

Response: *The District posted the 2021-22 Financial Statement on its website in November of 2022, it has since been posting subsequent Financial Statements, Corrective Action Plan and other relevant financial documents on the website and will continue to do so, going forward.*

Fixed Assets

3. **Recommendation:** All Administrators, Department Heads, and employees who sign off on the receiving copy of the purchase order should be required to attach inventory tags on the applicable fixed assets. In addition, the District should assign an employee separate from the Business Office and the Facilities Department or Internal Auditors to conduct periodic walkthrough observations and verify whether the fixed assets are properly affixed to the equipment. The observation function should be performed annually during the month of March and the results should be documented and communicated to the Assistant Superintendent for Business. Any exceptions should be investigated and corrective action should be implemented in a timely manner.

Response: *The District already has existing established procedures for recording, tagging and inventorying fixed assets. The Assistant Superintendent for Business emailed a memo on September 16, 2022, to all Administrators and facilities personnel to reinforce adherence to the procedures and will ensure that it is continued to be followed at all levels.*

Food Service

4. **Recommendation:** According to the New York State Education Department, the District should make efforts to reduce the fund balance of the school lunch account and not exceed three months' average expenditures at any time to maintain its nonprofit status. The District should take steps to reduce its net cash resources or have an acceptable plan for using surplus net cash resources. A plan should be submitted to Child Nutrition Program Administration and provide the following:
- Explanation of how the District will reduce the fund balance (net cash resources) to an acceptable amount within one year by improving food quality or purchasing needed supplies, services, or equipment.
 - Explanation of what the District will do to ensure that an excessive fund balance (Net cash resources) will not occur in the future.

Response: *The District has submitted a plan for reducing the excess fund balance, dated January 30, 2023 to NYSED. The submitted plan provides an extensive breakdown of expenses that will reduce the fund balance to acceptable limits. The implementation started and large item purchase will be completed on September 30, 2023 as approved*

Extra-classroom Activity Fund

5. **Recommendation:** According to the NYSED Extra-Classroom Activity Fund guidelines, the District should appoint a Faculty Auditor to review all Extra-Classroom Activity Fund transactions to ensure that all collections and disbursements are supported, approved, and processed accurately. The Faculty Auditor should be an individual distinct and separate from other appointed officers. The Faculty Advisor should reconcile monthly The Central Treasurer and Club Advisors' ledgers to ensure they are complete and accurate. This will enhance the District's oversight of internal controls over the Extra-Classroom Activity Fund and ensure compliance with State Education Guidelines.

Response: *The District is currently exploring the recommendation and will determine the best course of action at achieving the needed internal control checks and balances intended by the*

recommendation. The District will implement the needed control via appointment at the reorganization meeting slated for July 7, 2023

Information Systems

6. **Recommendation:** The Information Technology Department should establish protocols to prevent building-level employees from saving data on District desktops or laptops. Storing data on the network ensures that, if a user's computer breaks down, that data will not be lost and could be accessed from the network by logging on from another computer.

Response: *Employees at the Freeport School District are able to save data utilizing a variety of resources such as Google Drive, One Drive, and district operated servers. Overwhelmingly, user data is automatically saved in a manner that provides our users with redundancy. In rare cases, users are able to opt to save files to desktops if they choose to do so. Saving files to a desktop is more of an exception where peripheral equipment is being utilized and the data is always saved prior to a server. The Freeport School District Technology Department will implement overhauling of the IT architecture and storage capability by August 30, 2023, and continue to assess the needs of our users to properly balance data redundancy, security, and availability in a manner that optimizes productivity.*

7. **Recommendation:** The Information Technology Department should implement a remote wipe and/or remote factory reset ability on all laptops. This will protect sensitive data from people who possess enterprise-owned devices without authorization to view the data or possess the device.

Response: *Where our employees are issued laptops, the devices are configured with few applications installed, and are utilized to access computers within our network via a secure VNP connection. The District Technology Department has implementing a remote wipe or factory reset ability on all newly issued laptops. In addition, all new District's laptops will have the factory reset ability, using Microsoft Intune. As part of IT overhauling, this will be implemented by August 30, 2023*

Cybersecurity

8. **Recommendation:** We recommend the District consider having Nawrocki Smith perform a NIST gap analysis (cybersecurity assessment) of the current state of the information security level of the District in accordance with the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF), Center for Internet Security (CIS) 18 Critical Security Controls, New York State Education Law §2-D Regulation, Part 121 of the Commissioner's regulations, and best practices.

Response: *On October 17, 2022, the District approved accounting firm of Nawrocki Smith to perform NIST gap analysis and Ed law part 2D compliance. The firm is currently working with our Technology personnel for this purpose. The NIST and the CSF analysis will consist of how we manage in-district student data, and data made available to vendor and other related parties. As part of IT overhauling, this will be implemented by August 30, 2023.*

9. **Recommendation:** The Information Technology Department should set up two-factor authentication protocols for administrative use access. This will enhance the District's network security and ensure that all administrative and remote user access is properly authorized.

Response: *The District has since implemented Multi Factor Authentication (MFA) using Cisco Duo for access to all domain servers. The final part of the of the MFA will be implemented on May 27, 2023*

10. **Recommendation:** We recommend that the Information Technology Department develop a formal process to test the District's cybersecurity incident response plan. This can be accomplished by conducting the following:

- Tabletop exercises whereby the Information Technology Department discusses potential breach scenarios with key participants of the Incident Response Plan and highlights items that need to be addressed in a cyber incident.
- Walkthrough exercises whereby the Information Technology Department contacts the key participants of the Incident Response Plan and assesses how long it would take to respond to a cyber incident.
- Cutover exercises whereby the Information Technology Department declares a cyber event and the key participants of the Incident Response Plan perform their tasks to transition from on-premise to cloud systems and restore the backup data. This will assist the Information Technology Department in assessing the duration of the District's downtime and adjusting the Incident Response Plan if deemed necessary.

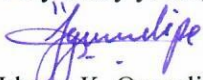
Response: *The District Information Technology Department is developing a formal process by working closely with BOCES and other affiliates, to establish a framework for timely response to cyber incident. This is in conjunction with other related technology upgrades slated for completion by August 30, 2023.*

Student Data Management

11. **Recommendation:** The District should develop formal procedures to comply with Policy 7410 – Curricular and Extracurricular Activities regarding student eligibility to participate at athletic and extra classroom activity events. The District should assign the applicable Department Heads to monitor the student attendance, academics, and code of conduct and determine their participation eligibility. The Department Heads should maintain a student participation eligibility list and communicate their results to the applicable Athletic Couches, Club Advisors, Student, and Parents in advance prior to registering for athletic or extra classroom activity fund events.

Response: *The District already has formal procedure and system in place process, in tracking students' eligibility to participate in athletic and extra classroom activity events, this was confirmed in use as of September 1, 2021. The District will continue to adhere to the compliance.*

Very Truly yours,



Idowu K. Ogundipe, CPA
Assistant Superintendent for Business

Cc: Dr. Kishore Kuncham
Superintendent of Schools