



Port Jervis
SCHOOL DISTRICT

Deborah Lasch, Board President
9 Thompson Street
Port Jervis, New York 12771

Phone (845) 858-3100
Fax (845) 858-3265

April 4, 2017

Ms. Tamara Pederson
New York State Education Department
Office of Audit Services, Room 524EB
89 Washington Avenue
Albany, New York 12234

Re: 2016M-319

Dear Ms. Pederson:

The revised Corrective Action Plan for the Port Jervis City School District 2016M-193 is as follows:

- 1) Use surplus fund balance
 - 2017-2018 budget - transfer to Capital Fund
\$175,000 to replace high school gym roof
taxpayer vote: May 16, 2017
with approved budget implementation: July 1, 2017
 - Capital Projections Resolution
BoE adopted taxpayer resolution to apply \$1,900,000 of fund balance to offset local share
taxpayer vote: May 16, 2017
with approved budget implementation: July 1, 2017
 - Transfer \$3 million into taxpayer approved Capital Reserve
BoE approved: April 4, 2017
 - Apply \$125,000 to upcoming bonding
BoE approved: April 4, 2017
 - The Board of Education will continue to seek opportunities to fund one-time expenditures

- 2) Adopt budgets that represent District's actual needs
 - The BoE uses zero based budgeting.
Every budget code has detail for spending and every year, in conjunction with the external audit report, the budget to actual results are reviewed, analyzed and adjusted where necessary in future budgets – the results are shared with the board and public every October.

Utility Budgets – reduced	16/17 reduced \$ 19,700
	17/18 reduced \$100,000

Teaching Salaries – in 2016-2017 teacher negotiations – required earlier notification of intent to retire to allow for consideration in budget preparation

Transportation – in 2017-2018 budget – reduced in-district busing days to exclude conference days when students are not in session

- Revenue is budgeted based on the adopted state budget. In several of the audited years referenced, the district received additional, unexpected aid for Homeless and Special Education. Future budgets reflect anticipated but unknown dollar amounts for these additional aids. Homeless Aid revenue budget line added in the 2014-2015 budget. These practices will continue.

- 3) The Policy Committee reviewed the reserve fund policies in November 2016 as recommended by NYSED auditors. Changes were adopted by the Board of Education on January 17, 2017.
- 4) Per board policy, reserve fund balances are shared and reviewed with the board annually. The practice will continue.
- 5) Budgeting for reserves continues to be transparent to residents. Resources are noted in the annual budget notice. The reserves are reviewed at the external audit review of financial statements through a public powerpoint presentation and discussion. The presentation is also available on the website. This practice will continue.

The Port Jervis City School District Board of Education adopted the revised Corrective Action Plan on April 4, 2017.

Sincerely,

Deborah Lasch
President, Board of Education

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