

NC Auditor Rapid Response Special Report Corrective Action Tracking - 90-Day Update

In pro	Finding	Response	Corrective Action	Evidence of Action	Deadline	Status
Finding 1	The District failed to reduce its staffing despite a decrease in its student population.	WS/FCS acknowledges issue and is working to align staffing with NC DPI ratios and available funding.	Eliminated building-based subs.	BOE Budget and Cost Savings Update 6/10/25	December 1, 2025 & August 1, 2026	In progress: December deadline met. Future work could include creating a financial manual that outlines formal position control policy process and a position control formula counter.
			Reduced 81 Central Office positions April 2025.	BOE Reduction in Force Agenda Item 4/8/25		
				Central Office Reduction in Force Chart - by Position and Department 7/3/25		
			Reduced 197 positions to realign school allotments June 2025.	BOE Budget and Cost Savings Update 6/10/25		
				State-Funded School Allotment Reversions Chart 7/3/25		
			Reduced approximately 300 positions districtwide August 2025.	HIL Consultants Staff Ratios and Allocations Recommendations 8/12/25		
				BOE Recommended Reduction in Force Presentation 8/19/25		
				Total District Personnel 10/30/24 - SS200 Report		
				Total District Personnel 10/30/25 - SS200 Report		
			Finding 2	The District used temporary COVID-era funds to pay staff salaries and did not remove positions when the temporary aid ended.		
Reduced 81 Central Office positions April 2025.	BOE Reduction in Force Agenda Item 4/8/25					
	Central Office Reduction in Force Chart - by Position and Department 7/3/25					
Reduced 197 positions to realign school allotments June 2025.	BOE Budget and Cost Savings Update 6/10/25					
	State-Funded School Allotment Reversions Chart 7/3/25					
Reduced approximately 300 positions districtwide August 2025.	HIL Consultants Staff Ratios and Allocations Recommendations 8/12/25					
	BOE Recommended Reduction in Force Presentation 8/19/25					
	Total District Personnel 10/30/24 - SS200 Report					
	Total District Personnel 10/31/25 - SS200 Report					
Finding 3	The District regularly approved purchase orders that exceeded its budgets and did not later revise these budgets.	WS/FCS acknowledges issue. New Tyler Enterprise Resource System (ERP) prevents exceeding budget. District will conduct a review of policies and procedures on budget transfers and provide training for budget managers.			WS/FCS has implemented Tyler and trained budget managers on the full range of procedures, including the process for budget transfers.	Tyler Conversion Training Document Archive
				Budget Transfers and Amendment Training Manual		
			BOE Finance Committee reviews and approves budget amendments regularly.	8/26/25 Budget Amendment		
				9/9/25 Budget Amendment		
				9/23/25 Budget Amendment		
	10/28/25 Budget Amendment					

Finding 4	The District did not reconcile budgeted and actual revenue and expenditures in a timely manner.	WS/FCS acknowledges issue. Beginning this month, Finance Committee will receive monthly budget-to-actual reports.HIL Consulting Group will recommend any other reports that are needed for timely, ongoing budget analysis.	BOE Finance Committee reviews monthly Budget-to-actual reports.	August Monthly Financial Report	8/1/2025	Complete and on-going: Budget-to-actuals report will be reformatted once Tyler integration is complete.
				September Monthly Financial Report		
				October Monthly Financial Report		
Finding 5	The District did not reassess COVID-era bonus payments to ensure alignment with current financial conditions and fund availability.	WS/FCS acknowledges issue. No bonuses other than state-allocated bonuses planned for Fiscal Year 2025-2026. In future, WS/FCS will ensure adequate funds are available, regardless of the funding source, before contemplating any bonuses to its employees.	No bonuses other than state-allocated bonuses planned for Fiscal Year 2025-2026.	Final Fiscal Year 2025-2026 Budget Resolution	Complete for FY 25-26 Cont. Budget Resolution	Complete
				Fiscal Year 2025-26 Budget Book		
Finding 6	The District inappropriately uses suspense accounts – temporary holding accounts intended for transactions that could not be immediately classified.	WS/FCS acknowledges the use of suspense accounts, generated automatically by SunPac financial system. Working with SunPac to understand how the reported amount has accumulated and what needs to be done to reflect a zero balance.	The suspense accounts were zeroed out as of June 30, 2025.	SunPac Financial Suspence Account Overview	6/30/2026	In progress: We will continue to review the suspense in the new Tyler ERP throughout the fiscal year.
				SunPac Financial Suspence Account Balance Transfers		

Finding 7	The District did not adequately consider its contracts when creating its budget.	WS/FCS acknowledges issue. New Tyler system requires contracts to be uploaded and associated with a line item in the budget that has adequate funds. Will create a central repository of contracts.	Tyler system now acts as the district's repository of contracts.	Tyler Contract Repository - Screen Capture	6/30/2026	In progress: Next steps could include updating contract paperwork to reflect new workflows; considering contract policy changes.
				Tyler Contract Workflow Illustration		
			BOE receives monthly report of current contracts under 100K.	September Contract Report		
				October Contract Report		
		BOE is reviewing contract policies.	Policy 3330 Contract Administration - Policy Committee Agenda Item 11/10/25			
Additional Assessment	The District has failed to correct prior audit findings, which has contributed to poor accounting procedures, budgetary practices, and the FY 2025 budget shortfall.	District has had significant staff and leadership turnover since 2017. WS/FCS recognizes the need for stronger internal processes and succession planning to address the systemic inefficiencies and lack of controls that have existed for nearly a decade or more. OSA-developed public fiscal dashboard and independent External Audit Committee will provide additional public assurances.	WS/FCS is engaging Mauldin & Jenkins LLC in a review of internal controls, as requested by the Local Government Commission and State Board of Education.	Mauldin & Jenkins Scope of Work	Ongoing	In progress: Work on the public dashboard is ongoing.
			BOE created an Audit Advisory Committee.	Audit Advisory Committee Policy		

Past Findings - Overview

Finding Description	2017	2018	2019	2020	2021	2022	2023	2024
Bank & Account Reconciliations								
Internal Controls Over Financial Reporting / Account Reconciliations								
Manual Journal Entries								
Expenditures in Excess of Budget								
Deficit in Fund Balance - Day Care Fund								
Deficit in Fund Balance - Capital Outlay Fund								
Deficit in Fund Balance - Special Revenue Fund								
Over-Appropriation of Fund Balance - Special Revenue Fund								
Timely Filing of Data Collection Form and Reporting Package								
State Allotment Overuse - Activities Allowed or Unallowed								
State Compliance - Personnel Paid Not in Accordance with State Salary Schedule								
Allotment Overdraft - Transportation Program								
2021: ✓ ZERO FINDINGS - Clean Audit Year (All prior findings corrected)								