

# ASHLAND PUBLIC SCHOOLS

## JACKSON COUNTY SCHOOL DISTRICT #5

### BOARD OF DIRECTORS

REBECCA DYSON

RUSSELL HATCH

DANIEL RUBY

DELTRA FERGUSON

JORDAN ROOKLYN

**Dr. Joseph Hattrick**  
*Superintendent*



*Inspire Learning for Life*

**MICHELLE CUDDEBACK**  
Assistant Superintendent

**STEVE MITZEL**  
Executive Director, Operations

**SHERRY ELY**  
Director, Business Services

**APRIL HARRISON**  
Director, Student Services

January 8, 2026  
Oregon Secretary of State,  
Audits Division  
255 Capitol St. NE, Suite #500  
Salem, OR 97310

### Plan of Action for Jackson County School District No. 5

Jackson County School District No. 5 respectfully submits the following corrective action plan in response to deficiencies reported in our audit of fiscal year ended June 30, 2025. The audit was completed by the independent auditing firm Sorren CPA's P.C. and reported a significant deficiency listed below. The plan of action was adopted by the governing body at their meeting on January 8, 2026, as indicated by signatures below.

The significant deficiency is listed below, including the adopted plan of action and timeframe.

#### **Financial Statement Finding – Significant Deficiency**

##### **2025-001 Financial Reporting**

**Condition** - Year-end account balances and their activity were not properly prepared and/or reviewed accurately.

**Cause** - Internal controls in place did not ensure that assets, liabilities, revenues and expenses were calculated and reported accurately.

**Auditor Recommendation:** We highly recommend that the District enhance internal controls by developing a year-end closing schedule which includes having a preparer and reviewer of all accounts. This control should be used to ensure that all accounts are reconciled timely and all necessary year-end calculations are completed, and that work is reviewed on a regular basis.

**Plan of Action:** Ashland School District has implemented a reconciliation process that is conducted monthly so that any needed adjustments are done in a timely manner. The District has also implemented a year-end closing schedule to ensure that all year-end calculations and adjustments are also completed in a timely manner. The work is done by the Business Office staff and reviewed and approved by the Director of Business Services. See Attached closing schedules.

**Date of implementation: Immediately and ongoing.**

If there are any questions regarding this plan, please contact Sherry Ely by email at [sherry.ely@ashland.k12.or.us](mailto:sherry.ely@ashland.k12.or.us) or by phone at 541-218-1853.

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Rebecca Dyson, Board Member

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Signature

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Joseph Hattrick, Superintendent

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Signature

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Sherry Ely, Director of Business Services

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Signature

# Monthly Closing Schedule

Ashland School District No. 5 Business Office

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## Purpose

This monthly closing schedule establishes consistent procedures and timelines to ensure accurate, timely, and compliant financial reporting for a school district. Tasks may be adjusted based activity for any specific month.

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## STANDARD MONTHLY CLOSE TIMELINE

**Target Close:** Within 5–10 business days after month-end

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## MONTH END (Last Day of the Month)

- Confirm purchasing, payroll, and cash receipt cut-offs
- Ensure all approved transactions for the month are entered
- Lock prior month sub-ledgers as appropriate

## DAY 1–2 – INITIAL PROCESSING

### Accounts Payable

- Enter and post all invoices received for the month
- Review open purchase orders for accuracy
- Identify invoices requiring accruals

### Payroll

- Post payroll and benefit expenses for the month
- Verify payroll clearing accounts

### Cash Receipts

- Post all cash receipts and deposits
- Verify deposits agree to bank activity

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## **DAYS 3–10 RECONCILIATIONS & ACCRUALS**

### **Reconciliations**

- Reconcile all bank accounts
- Reconcile cash to general ledger
- Reconcile payroll clearing and benefit payable accounts
- Reconcile accounts receivable balances
- Reconcile grant receivable and deferred revenue balances

### **Accruals & Adjustments**

- Record accounts payable accruals
- Record payroll and benefit accruals, if applicable
- Record interest earnings and investment activity
- Review and post interfund transactions
- Review general ledger detail by fund and function
- Investigate and resolve unusual variances
- Review budget-to-actual reports
- Confirm proper coding of revenues and expenditures
- Review negative balances and overdrafts

## **FINANCIAL REPORTING**

- Prepare monthly financial statements, including:
  - Revenue and expenditure reports
  - Budget vs. actual summaries
- Prepare grant expenditure and reimbursement reports
- Update cash flow projections

## **MANAGEMENT REVIEW & CLOSE**

- Review financials
- Make final approved journal entries
- Prepare Board Financial Report
- Distribute reports to Superintendent and leadership team
- File and retain supporting documentation

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## **MONTHLY SPECIAL TASKS (AS APPLICABLE)**

- Review capital project expenditures
- Update capital asset additions/disposals
- Monitor debt service activity and compliance
- Review school activity and student accounts
- Review outstanding encumbrances

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## **QUARTERLY TASKS (IN ADDITION TO MONTHLY)**

- Review grant compliance and drawdowns
- Review balance sheet accounts in detail
- Update long-term forecasts
- Review vendor activity for 1099 tracking

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## **RESPONSIBILITY MATRIX**

<b>Area</b>	<b>Primary Responsibility</b>
General Ledger & Close	Director of Business Services
Accounts Payable	Accounts Payable Specialist
Payroll & Benefits	Payroll Specialist
Cash & Banking	Accounting Specialist
Grants	Director of Business Services
Reporting	Business Office

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## **KEY CONTROLS & BEST PRACTICES**

- Written monthly close checklist
- Segregation of duties
- Standard journal entry templates
- Documented review and approval
- Consistent close calendar

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# Year-End Closing Schedule

**Ashland School District No 5 Business Office**

**Fiscal Year End: June 30**

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## Purpose

This schedule outlines key tasks, deadlines, and responsible parties to ensure an orderly and compliant fiscal year-end close for a school district. Dates may be adjusted based on board meetings, audit timelines, and state reporting requirements.

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## MAY – PRE-CLOSE PLANNING

### Early–Mid May

- Review prior year audit findings and management letter recommendations
- Confirm year-end deadlines with external auditors
- Issue year-end closing memo to all departments and schools
- Review budget status and project year-end fund balances
- Identify potential accruals and deferrals
- Review capital assets and construction-in-progress activity

### Late May

- Finalize purchasing cut-off dates
- Communicate payroll cut-off dates and summer payroll schedules
- Review outstanding encumbrances for accuracy
- Begin review of grant balances and allowable expenditures

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## JUNE – FISCAL YEAR-END ACTIVITIES

### June 1–15

- Ensure all purchase orders are approved and issued before cut-off
- Review accounts payable aging and resolve old items
- Verify grant reimbursement schedules
- Review interfund transactions for proper coding

- Begin preliminary accrual worksheets

### **June 16–30**

- Stop routine purchasing except approved emergencies
- Record final accounts payable invoices received by June 30
- Accrue known expenditures incurred but not yet invoiced
- Accrue payroll and benefits earned through June 30
- Record final utility and service accruals
- Verify cash receipts posting through June 30
- Close out school and department activity accounts

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## **JULY – POST-CLOSE & ADJUSTMENTS**

### **July 1–10**

- Roll fiscal year in financial system (if applicable)
- Record prior-year adjusting entries
- Reverse applicable accruals in new fiscal year
- Review preliminary trial balance by fund
- Reconcile cash, investments, and debt balances
- Complete bank reconciliations as of June 30

### **July 11–20**

- Finalize grant accruals and deferred revenues
- Review encumbrances to be carried forward or closed
- Update capital asset additions, disposals, and depreciation
- Review compensated absences and OPEB/retirement accruals
- Prepare preliminary financial statements

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## **AUGUST – AUDIT PREPARATION**

### **Early August**

- Provide auditors with trial balance and general ledger detail
- Prepare audit schedules, including:
  - Cash and investment schedules
  - Accounts receivable and payable
  - Accrued liabilities
  - Deferred inflows/outflows

- Capital assets and long-term debt
- Grant and compliance schedules

### **Mid–Late August**

- Respond to audit inquiries and requests
- Post audit adjustments as approved
- Review draft financial statements
- Prepare management responses as needed

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## **SEPTEMBER – DECEMBER – FINALIZATION & REPORTING**

- Finalize audited financial statements (
- Present results to Superintendent and Board of Education
- Submit required reports to state education and finance agencies
- File Single Audit reporting
- Close audit year in financial system
- Conduct internal post-close review and document improvements

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## **KEY CONTROLS & BEST PRACTICES**

- Maintain written cut-off policies for expenditures and revenues
- Use standardized accrual and closing checklists
- Ensure segregation of duties during close
- Retain documentation for audit trail
- Schedule a post-year-end debrief meeting

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## **RESPONSIBILITY MATRIX**

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