New York State Comptroller
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Wheelerville Union Free School District

Audit Follow-Up Review

October 2026 | 2022M-002-F
Prepared by the Division of Local Government and School Accountability

Audit Follow-Up Review

Wheelerville Union Free School District

Purpose of the Audit Follow-Up Review

In May 2022, the Office of the New York State Comptroller (OSC) issued an audit report for the Wheelerville Union Free School District (District) titled *Unused IT Asset Inventory (2022M-2)*.[1] The audit determined that District officials needed to strengthen controls over unused information technology (IT) assets by improving policies and procedures, maintaining complete inventory records, conducting periodic physical inventories, ensuring proper disposal practices and safeguarding unused equipment. The audit report included six recommendations directed to District officials that focused on improving accountability over IT assets and reducing the risk of loss, theft, misuse or unauthorized disclosure of data.[2] The District's response to the report indicated District officials had initiated corrective action.[3]

Because effective implementation will improve accountability over IT assets, help ensure that unused IT assets are safeguarded and disposed of in accordance with District procedures and reduce the risk of loss, theft or misuse of IT assets, we conducted a follow-up review from May 27, 2026 through May 29, 2026 to determine whether corrective actions moved beyond intent to effective, sustained practice.

The follow-up review was limited to inspection of certain documents and physical observations related to the issues identified in the audit report, a review of the District's corrective action plan (CAP) and interviews with the District Superintendent, Treasurer and technology specialist. The scope of the review does not constitute an audit under generally accepted government auditing standards (GAGAS).

Review Summary

Of the audit's six recommendations, we determined District officials fully implemented a recommendation regarding physically safeguarding unused IT assets. However, District officials did not fully implement the recommendations regarding improving policies and procedures, maintaining complete inventory records, conducting periodic physical inventories and ensuring proper disposal practices. District officials could not provide a reasonable explanation for why they did not fully implement the recommendations.

District officials improved controls over unused IT assets by developing disposal procedures and a draft technology disposal checklist and physically safeguarding unused IT assets in secure locations with limited access. However, the technology disposal checklist had not been finalized or implemented during our review. In addition, although the technology specialist conducted physical inventories during the 2023-24 school year, physical inventories have not been conducted since June 2024 and District officials did not maintain a comprehensive master inventory list after June 2024. We also reviewed documentation showing that District officials obtained Board approval to dispose of obsolete laptops and that disposed devices underwent data removal procedures before disposal. However, District officials did not maintain complete records identifying all devices approved for disposal and inventory records did not fully agree with disposal records. As a result, the risks identified in the May 2022 audit report remain related to unclear policies and procedures, incomplete inventory records and unused IT assets being stolen or inadvertently misused or accessed by unauthorized individuals.

During the review, we discussed the basis for the recommendations and the operational considerations relating to these issues. We encourage District officials to fully implement the audit recommendations.

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1 The full report is available at: https://www.osc.ny.gov/files/local-government/audits/2022/pdf/wheelerville-2022-2.pdf
2 A complete list of the recommendations in the report, in their original order, is included in Appendix A.
3 District officials' response is available at: https://www.osc.ny.gov/files/local-government/audits/2022/pdf/wheelerville-2022-2.pdf#page=8

Recommendations and Implementation Status

We determined that although District officials have taken steps to strengthen controls over unused IT assets, corrective actions remain incomplete in some areas, such as not fully updating policies and procedures governing unused IT assets, maintaining comprehensive inventory records, formally documenting and resolving inventory discrepancies and ensuring that all obsolete equipment is accurately tracked through the disposal process. Because District officials have not fully implemented five recommendations, District officials cannot adequately ensure that all IT assets are properly accounted for during their lifecycle, from acquisition and use through storage and disposal.

IT Asset Inventory

- Update the policy to set forth clear guidelines, procedures and responsibilities – **Partially Implemented**
- Ensure inventory records are complete – **Partially Implemented**
- Ensure identification tags are affixed to equipment and documented on inventory records – **Partially Implemented**

Although the District Superintendent, Treasurer and technology specialist developed disposal procedures, the procedures did not include how obsolete IT assets are identified, data sanitization or inventory changes. Specifically, the procedures stated where such IT assets would be stored, that asset tags would be removed and that information would be recorded on a salvage sheet. The procedures identified who would be responsible for compiling a list of IT assets to be recycled and that Board approval would be required before contacting a third party for recycling. In addition, District officials developed a draft technology disposal checklist that provides additional guidance regarding asset identification, data sanitization, secure storage and disposal processes. However, the checklist had not been finalized or implemented during our review.

District officials did not maintain a comprehensive master inventory list after June 2024, when they last performed a physical inventory. We reviewed available inventory records and determined that, although records included useful information such as descriptions, make, model, serial number, quantity, location, purchase date and original cost, they were not complete. The District's technology specialist maintained a spreadsheet which included devices available for future use, awaiting disposal and retained for parts and binders with lists to track devices assigned to staff, students, classrooms and storage locations. In addition, asset identification tags were affixed to 61 of the 129 (47 percent) devices we reviewed, and the tags were accurately recorded in inventory records. However, we identified a hard drive located in the technology cabinet that was not recorded in inventory records. In addition, because District officials lacked a comprehensive master inventory list, we noted discrepancies between certain inventory records and assigned devices. For example, one device assigned to an employee for use when working from home was not included on the applicable inventory spreadsheet, and certain inventory records were missing identifying information, such as asset tags and serial numbers.

Monitoring and Safeguarding Unused IT Assets

- Ensure unused IT assets are physically safeguarded – **Fully Implemented**
- Ensure periodic physical inventories are conducted – **Partially Implemented**
- Ensure obsolete IT equipment is identified and free from data before storage or authorized disposal – **Partially Implemented**

Although periodic physical inventories have not been conducted since June 2024, the District Superintendent, Treasurer and technology specialist ensured unused IT assets were physically safeguarded and improved disposal practices.

During the 2023-24 school year, the technology specialist conducted physical inventories of assigned IT assets and maintained documentation with notes for damaged devices, completed repairs, reassigned devices and devices retained for parts. However, officials did not conduct periodic physical inventories after June 2024 and discrepancies identified during the process were not formally documented, investigated or adjusted within the inventory records. As a result, District officials lacked a comprehensive master inventory list that reconciled all devices maintained by the District.

We observed unused IT assets stored in secured locations with limited access. In addition, we reviewed documentation showing that District officials obtained Board approval to dispose of obsolete laptops and that disposed devices underwent data removal procedures before disposal. However, District officials did not maintain complete records identifying all devices approved for disposal and inventory records did not fully agree with disposal records. For example, the District's 2024 inventory list identified 94 devices ready for disposal and we confirmed that 82 were listed in disposal documentation showing that devices were free from data or that data was wiped clean before disposal. However, 12 of the 94 devices were not disposed of and were being held in storage at the District. We also could not account for three of these 12 devices and the records had not been reconciled.

Without clear and updated policies, complete inventory records and periodic physical inventories, there continues to be a risk that unused IT assets could be stolen or inadvertently misused or accessed by unauthorized individuals.

District officials should continue their efforts to fully implement the remaining recommendations and further strengthen controls over unused IT assets.

Appendix A: Audit Report Recommendations

The recommendations discussed in this follow-up review, in their original order from audit report: *Unused IT Asset Inventory (2022M-2)* are below.

District officials should:

1. Update the policy to set forth clear guidelines and procedures for establishing and maintaining controls over unused IT assets, including communicating the persons or positions responsible.

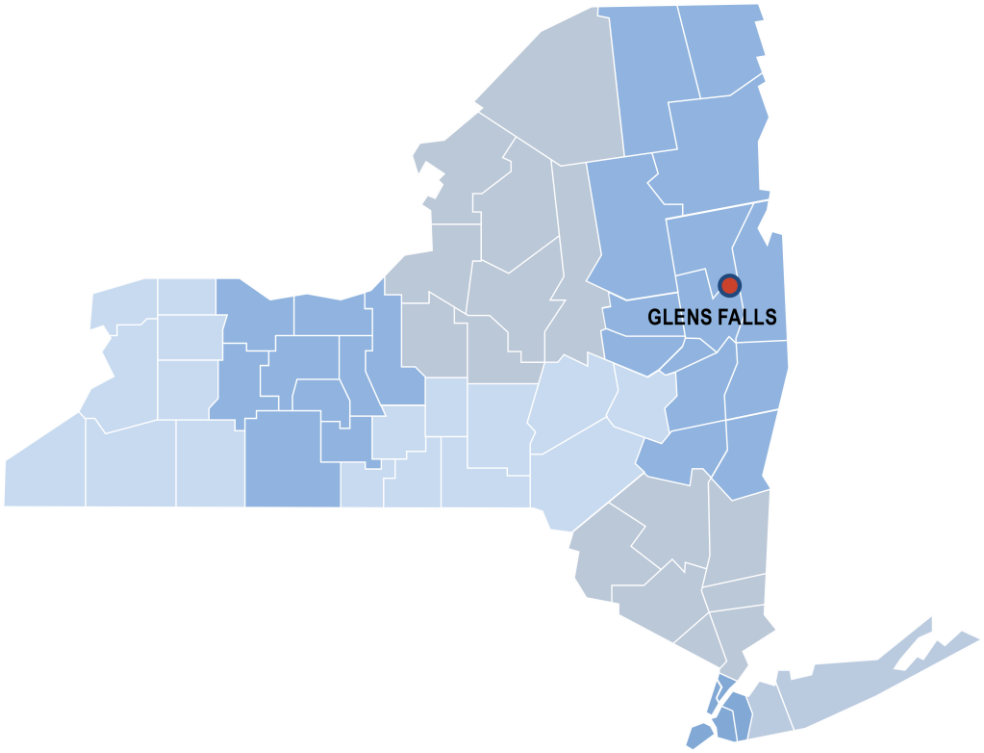
2. Ensure that IT asset inventory records are complete with description, make, model, serial number, quantity, location, date of purchase and original cost.

3. Ensure decals or asset identification tags are affixed to equipment and documented on inventory records.

4. Ensure that periodic physical inventories are conducted and compared to inventory records and investigate any discrepancies.

5. Ensure that unused IT assets are physically safeguarded by storing in secure areas with limited access.

6. Ensure that obsolete IT equipment is identified as such and free from data before storage or authorized disposal.

Contact

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