
PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT

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*Richard Cunningham
Assistant Superintendent for Business*

November 6, 2020

MEMORANDUM

TO: Dr. Mary O'Meara
Superintendent of Schools

FROM: Richard Cunningham 
Assistant Superintendent for Business

RE: External Audit Corrective Action Plan for Year Ending June 30, 2020

At the October 5, 2020 meeting of the Board of Education, our external auditing firm, R.S. Abrams & Co., LLP presented the results of their annual audit for the period July 1, 2019 through June 30, 2020. In addition to the financial statements, the auditors also presented the findings in their management letter. Following is a response to the items contained in the management letter:

CURRENT YEAR FINDING AND RECOMMENDATION

CAPITAL FUND ACCOUNTS PAYABLE/ENCUMBRANCES

Audit Recommendation: *During their audit, external auditors noted that checks paid subsequent to June 30, 2020 were recorded in encumbrances as opposed to accounts payable. As the goods and/or services were received prior to June 30, 2020, we recommend the District review encumbrances in the capital fund to determine proper accounting treatment.*

Implementation Plan of Action(s):

Capital Encumbrances outstanding after June 30 will be reviewed by Patricia Bulerin, Purchasing Agent, and Jennifer Segui, Assistant Business Administrator.

Implementation Date: Immediately

Person(s) Responsible for Implementation: Patricia Bulerin, Purchasing Agent and Jennifer Segui, Assistant Business Administrator

REOCCURRING FINDINGS AND RECOMMENDATIONS

EXTRACLASSROOM

Audit Recommendation # 1

Cash Receipts: *During our current year audit, it was noted that twenty-three of thirty cash receipts did not have the supporting documentation, including listing of checks/items sold. We recommend all cash receipts include proper supporting documentation to improve internal controls for extra classroom cash receipts.*

Implementation Plan of Action(s):

Internal Auditors will be tasked to provide additional training for ECAF Central Treasurers and advisors. The ECAF Auditor will monitor the inclusion of proper supporting documentation such as the pre-numbering of tickets for those events that require admissions fees and the use of profit-and loss statements for fund raising sales. The club advisors will use on-line payment system (such as MySchoolBucks) whenever possible.

Implementation Date: November 2020

Person(s) Responsible for Implementation:

ECAF Auditor and School Principals

Audit Recommendation # 2

Cash Disbursements: *During our current year audit, we noted one out of ten invoices at Plainview-Old Bethpage Middle School (POBMS) was not stamped "paid." We recommend that all invoices be stamped "paid" prior to payment to avoid a potential duplicate payment.*

During our current year audit, we also noted one out of ten disbursements was missing the central treasurer's signature at Plainview-Old Bethpage Middle School. We recommend that the central treasurer be involved in all extra classroom activity funds, which is evidenced by appropriate signatures on the treasurer's receipts.

Implementation Plan of Action(s):

Internal Auditors will be tasked to provide additional training for ECAF Central Treasurers and advisors. The ECAF Auditor will spot check the work papers of ECAF Treasurers on a periodic basis.

Implementation Date: November 2020

Person(s) Responsible for Implementation:

ECAF Auditor and School Principals

Audit Recommendation # 3

Charters: *During our current year audit, we also noted one out of three charters tested was missing the principal's signature at POBMS. It was also noted that five out of five clubs tested at POBJFK High School were missing at least one signature on the charter. We recommend all clubs have approved charters listing student officers and purpose of the club on file, as well as the principal's signature.*

Implementation Plan of Action(s): School Principals will be responsible for forwarding club charters to the Board of Education for review and acceptance each Fall and that the charters are properly completed.

Implementation Date: November 2020

Person(s) Responsible for Implementation:

ECAF Auditor
School Principals

STATUS OF PRIOR YEAR RECOMMENDATIONS

EXTRACLASSROOM

Cash Receipts

***FINDING:** During our prior year audit, we noted six out of thirty cash receipts had no reconciliation of the number of tickets or items sold and price per ticket or item to the money collected. did not have the supporting documentation, including listing of checks/items sold. We recommended pre-numbered tickets be issued and school store inventory be tracked to allow a reconciliation of tickets or items sold to funds received and deposited.*

Status: Not implemented

Implementation Plan of Action(s): Internal Auditors will be tasked to provide additional training for ECAF Central Treasurers and advisors. The ECAF Auditor will monitor procedures such as the pre-numbering of tickets for those events that require admissions fees and the use of profit-and-loss statements for fund raising sales. The club advisors will use on-line payment system (such as MySchoolBucks) whenever possible.

Implementation Date: November 2020

Person(s) Responsible for Implementation:

ECAF Auditor, School Principals

***FINDING:** During our prior year audit, we also noted one out of thirty cash receipts had a time lag of up to two months between the receipt of funds and the deposit into the bank for the drama club at Mattlin Middle School. We recommended depositing monies on a timelier basis in order to properly secure funds.*

Status: Not implemented

Implementation Plan of Action(s):

Internal Auditors will be tasked to provide additional training for ECAF Central Treasurers and advisors. The ECAF Auditor, under the supervision of the school principal, will periodically check school safes to check for funds waiting for deposit. The club advisors will use on-line payment system (such as MySchoolBucks) whenever possible.

Implementation Date: November 2020

Person(s) Responsible for Implementation:

ECAF Auditor and School Principals

Cash Disbursements

FINDING: During our prior year audit, we note two out of thirty invoices at Plainview-Old Bethpage Middle School (POBMS) were not stamped "paid." We recommended that all invoices be stamped "paid" prior to payment to avoid a potential duplicate payment.

Status: Not implemented

Implementation Plan of Action(s):

Internal Auditors will be tasked to provide additional training for ECAF Central Treasurers and advisors. The ECAF Auditor will spot check the work papers of ECAF Treasurers on a periodic basis

Implementation Date: November 2020

Person(s) Responsible for Implementation:

ECAF Auditor and School Principals

FINDING: During our prior year audit, we also noted one out of thirty disbursements was missing the central treasurer's signature at Plainview-Old Bethpage Middle School. We recommended that the central treasurer be involved in all extra classroom activity funds, which is evidenced by appropriate signatures on the treasurer's receipts.

Status: Not implemented

Implementation Plan of Action(s):

Internal Auditors will be tasked to provide additional training for ECAF Central Treasurers and advisors. The ECAF Auditor will spot check the work papers of ECAF Treasurers on a periodic basis.

Implementation Date: November 2020

Person(s) Responsible for Implementation:

ECAF Auditor and School Principals

Charters

FINDING: During our prior year audit, we noted five clubs did not have charters on file. In addition, sixteen out of thirty charters were missing the principal's signature at POBMS and MMS. We recommended all clubs have approved charters listing student officers and purpose of the club on file, as well as the principal's signature.

Status: Partially implemented

Implementation Plan of Action(s):

School principals will be responsible for forwarding club charters to the Board of Education for review and acceptance each Fall and that the charters are properly completed.

Implementation Date: November 2020

Person(s) Responsible for Implementation:

ECAF Auditor
School Principals