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PLAINVIEW-OLD BETHPAGE CENTRAL SCHOOL DISTRICT  
106 Washington Avenue, Plainview, New York 11803



*Office of Business and Finance*

Phone: (516) 434-3050  
Fax: (516) 937-9142  
E-mail: [rcunningham@pobschools.org](mailto:rcunningham@pobschools.org)


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*Richard Cunningham*  
*Assistant Superintendent for Business*

October 19, 2021

**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, 2021

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At the October 18, 2021 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, 2020 through June 30, 2021. In addition to the financial statements, the auditors presented the findings in their management letter. Following is a response to the items contained in the management letter:

**CURRENT YEAR FINDING AND RECOMMENDATION**

**CASH MANAGEMENT**

**Outstanding Checks**

During our current year audit, we noted outstanding checks for more than one year are being carried on the monthly back reconciliations for the general fund and the miscellaneous special revenue fund. We recommend the old outstanding checks be investigated and removed from the bank reconciliations and the accounting records be adjusted accordingly.

**Implementation Plan of Action(s):** The District will increase its cycle of investigating and making contact with individuals who have yet to cash aging checks. Contact will be made two times a year: December and May.

**Implementation Date:** December 2021

**Person(s) Responsible for Implementation:** Jennifer Segui, Assistant Business Administrator and Samantha O'Leary, Administrative Assistant

## **CAPITAL ASSETS**

### **Capital Asset Additions**

During our current year audit, it was noted that current year capital asset additions had not been tagged as District property in a timely manner. We recommend that all capital asset additions above the District's established threshold be tagged as District property in a timely manner to ensure the proper tracking and safeguarding of the District's capital assets.

**Implementation Plan of Action(s):** The District will ensure that assets are tagged promptly upon receipt.

**Implementation Date:** November 2021

**Person(s) Responsible for Implementation:** Jennifer Segui, Assistant Business Administrator and Purchasing Clerk

## **SCHOOL LUNCH FUND BALANCE**

### **Fund Balance**

During our current year audit, we noted on June 30, 2021, the school lunch fund balance exceeded the three-month average expenditure level allowable by federal regulations 7CFR Part 210.14(b) by \$105,201. We recommend the District create a plan to submit to the New York State Office of Child Nutrition to take the necessary steps to utilize the excess portion of this fund balance in the school lunch operations.

**Implementation Plan of Action(s):** The District will develop a plan to reduce the school lunch fund balance to the three-month average expenditure level allowable.

**Implementation Date:** June 2022

**Person(s) Responsible for Implementation:** Richard Cunningham, Assistant Superintendent for Business and Jennifer Segui, Assistant Business Administrator

## **REOCCURRING FINDINGS AND RECOMMENDATIONS**

### **EXTRACLASSROOM**

#### **Cash Receipts**

During our current year audit, it was noted that five of twenty-three 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 an on-line payment system (such as MySchoolBucks) whenever possible.

**Implementation Date:** November 2021

**Person(s) Responsible for Implementation:** ECAF Auditor and School Principals

**REOCCURRING FINDINGS AND RECOMMENDATIONS**

**EXTRACLASSROOM**

**Cash Receipts**

During our prior 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 recommended 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 an on-line payment system (such as MySchoolBucks) whenever possible.

**Implementation Date:** November 2021

**Person(s) Responsible for Implementation:** ECAF Auditor and School Principal