



**PLAINVIEW-OLD BETHPAGE  
CENTRAL SCHOOL DISTRICT**

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**REVIEW OF REPORTING DAYS WORKED  
FOR ERS EMPLOYEES**

**SEPTEMBER 2015**

September 2015

The Board of Education  
Plainview-Old Bethpage Central School District  
Plainview, New York 11803



Board of Education:

We have been retained to function as the internal auditor for the Plainview Old-Bethpage Central School District (hereinafter, "the District"). Our responsibility is to assess the internal control system in place for the accounting function within the District, and to make recommendations to improve upon certain control weaknesses or deficiencies. In doing so, we hope to provide assurance to the District's Board, management, and residents, that the fiscal operations of the District are being handled appropriately and effectively.

**BACKGROUND and SCOPE:**

The District is required to report on a monthly basis, the number of days worked for all District members of the New York State and Local Retirement System. In a report issued July 7, 2015, an examination by the Office of the State Comptroller of the Employees' Retirement System (ERS), it was noted that the District was not utilizing the guidelines set by the State to calculate the days worked. Even so, the method used by the District to calculate days worked resulted in the same number of days as the State guidelines produced. The District provided their methodology to the State and received confirmation that no further action was required by the District to resolve the issues noted. The District indicated that they will use the method to calculate the days worked as prescribed by ERS going forward. As such, the District requested that we assess the adequacy of the implementation of the new calculations for reporting days worked.

**TEST PERFORMED:**

We selected a sample of 30 individuals from the report "Employees' Retirement Report for Payroll Periods from 8/1/2015 - 8/31/2015" produced from the District's financial application, WinCap. For each of the 30 individuals selected, we verified the time reported by comparing to timesheets submitted for the pay periods within that month. In addition, we confirmed that the pension contribution was correct by:

- Verifying the contribution utilized the correct percentage based on the gross pay for the time reported (generally three percent); and
- Verifying that employees who did not need to contribute, worked the number of years to satisfy the contribution requirements (generally ten years).

**RESULTS and RECOMMENDATIONS:**

We confirmed that the District utilized the correct maximum number of days to report for the month based on the number of payroll payments in the period reported. In addition, for those employees who did not work full time during that period, we verified the amount of hours reported by comparing to timesheets submitted, and verified the conversion of hours to reportable days was correct as prescribed by the State. **No exceptions were noted.**

We confirmed that the pension contributions reflected on the report were calculated properly, used the correct percentage for the contribution, and properly excluded the deduction for the pension for those employees who sufficiently worked and paid the contribution percentage. No exceptions were noted.

**Recommendation:** While the internal controls surrounding the reporting of days worked appear adequate, we noted one individual had not submitted a timesheet for hours worked proctoring examinations in the spring of 2015. The employee documented the time worked in a memorandum, which was subsequently signed by the supervisor and submitted to the payroll department for processing. The payroll department verified that this employee was not previously paid for this time. To ensure all time worked is properly accounted for, we recommend that employees be required to complete a timesheet for any extra hours worked. The timesheet should be signed by the employee and the employee's supervisor before being processed by the payroll department. Timesheets should be submitted within the following pay period to ensure payments are made in a timely manner.

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We would like to thank the staff at the District for its cooperation and professionalism during our testing.

We understand the fiduciary duty of the Board of Education, as well as the role of the internal auditor in ensuring that the proper control systems are in place and functioning consistently with the Board's policies and procedures.

Should you have any questions regarding anything included in our report, please do not hesitate to contact us at (631) 582-1600.

Sincerely,

*Cerini & Associates LLP*

Cerini & Associates, LLP  
Internal Auditors