



**R.S. ABRAMS & CO., LLP**

*Accountants & Consultants for Over 75 years*

*Management Letter*

Robert S. Abrams (1926-2014)

Marianne E. Van Duyn, CPA

Alexandria M. Battaglia, CPA

Brendan Nelson, CPA

To the Board of Education and  
Ms. Sharon Dungee, Superintendent of Schools  
Central Islip Union Free School District  
50 Wheeler Road  
Central Islip, New York 11722

In planning and performing our audit of the financial statements of the governmental activities, each major fund and the fiduciary funds of the Central Islip Union Free School District (the "District") as of and for the fiscal year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

However, during our audit we became aware of other matters that we believe represent opportunities for strengthening internal controls and operating efficiency. The recommendations that accompany this letter summarize our comments and suggestions concerning these matters. We have also included the status of prior year findings and recommendations.

ISLANDIA: 3033 EXPRESS DRIVE NORTH, SUITE 100 • ISLANDIA, NY 11749  
WHITE PLAINS: 50 MAIN STREET, SUITE 1000 • WHITE PLAINS, NY 10606  
PHONE: (631) 234-4444 • FAX: (631) 234-4234

www.rsabrams.com

## **CURRENT YEAR FINDINGS AND RECOMMENDATIONS**

### **BANK RECONCILIATIONS**

During our current year audit, we noted the District was carrying old outstanding checks for more than one year on the monthly bank reconciliations for the general fund checking account, school lunch fund checking account and special aid fund checking account. We recommend that all outstanding checks be reviewed on a regular basis and that older items get investigated and removed from the bank reconciliations and the accounting records adjusted accordingly.

### **SCHOOL LUNCH FUND**

During our current year audit, we noted that the District's school lunch fund balance exceeded the three-month average expenditure level allowable by Federal Regulations 7CFR Part 210.14(b) by \$632,441. The excess fund balance was primarily due to increased state and federal reimbursements exceeding the cost of distributing free meals to all students of the District. We recommend that the District review the fund balance level and develop a formal plan to utilize the excess fund balance and invest back into the program for the 2022-2023 school year.

### **CAPITAL PROJECTS**

During our current year audit, we noted capital projects with balances that appear to be closed, as there were no revenues or expenditures recorded for these projects for the past few years. We recommend the District review each capital project to determine whether the capital project should be closed out and the applicable fund balance transferred back to the general fund or used to offset future debt service payments based on the source of revenues.

### **EXTRA CLASSROOM ACCOUNTS**

The District has established extra classroom activity accounts to maintain student activities and funds. The New York Education Department has published guidelines governing the proper procedures and policies governing the extra classroom accounts and transactions.

During our current year audit of all the District's extra classroom activity accounts, we noted the following:

- Four clubs (Drama Club, Varsity Club, Rapier, and Spanish Club) had no financial activity for the past five consecutive fiscal years, and one club (the French Club) had no financial activity for the past three consecutive fiscal years.
- Three out of ten cash receipts tested had a large time lag between the treasurer's receipt date and the bank deposit date.
- Three out of ten clubs tested did not have an extraclassroom club charter on file.

We recommend the District continue to provide training to the extraclassroom treasurers and advisors of the proper procedures required by the State Education Department, and that the District implement procedures for the above items to improve the internal controls for the extra classroom activity accounts.

\* \* \*

## **STATUS OF PRIOR YEAR RECOMMENDATIONS**

### **BANK RECONCILIATIONS**

**FINDING:** During our prior year audit, we noted the District was carrying old outstanding checks for more than one year on the monthly bank reconciliations for the general fund payroll account. We recommended that all outstanding checks be reviewed on a regular basis and that older items get investigated and removed from the bank reconciliations and the accounting records adjusted accordingly.

**STATUS:** Not Implemented.

### **CAPITAL PROJECTS**

**FINDING:** During our prior year audit, we noted capital projects with balances that appeared to be closed, as there were no revenues or expenditures recorded for these projects for the past few years. We recommended the District review each capital project to determine whether the capital project should be closed out and the applicable fund balance transferred back to the general fund or used to offset future debt service payments based on the source of revenues.

**STATUS:** Not Implemented.

### **BUDGET TRANSFERS**

**FINDING:** During our prior year audit, we noted 1 out of 11 budget transfers tested was over \$50,000 whereby the required Board approval was obtained subsequent to the transfers being recorded in the accounting information system (AIS). Per District policy, all non-payroll budget transfers in excess of \$50,000 require Board approval prior to the transfers being recorded in the AIS. We recommended the District implement procedures to ensure all non-payroll budget transfers in excess of \$50,000 obtain Board approval prior to the transfers being recorded in the AIS.

**STATUS:** Implemented.

### **EXTRA CLASSROOM ACCOUNTS**

**FINDING:** The District had established extra classroom activity accounts to maintain student activities and funds. The New York Education Department had published guidelines governing the proper procedures and policies governing the extra classroom accounts and transactions.

During our prior year audit of the District's extra classroom activity accounts, we noted the following:

- Four clubs (Drama Club, Varsity Club, Rapier, and Spanish Club) had no financial activity for the past four consecutive fiscal years, and one club (the

French Club) had no financial activity for the past two consecutive fiscal years.

- Three out of five clubs tested did not have an extraclassroom club charter on file.
- Two out of five cash receipts tested had a large time lag between the treasurer's receipt date and the bank deposit date.
- One out of five cash receipts tested was missing the faculty advisor's signature.

We recommended the District continue to provide training to the extraclassroom treasurers and advisors of the proper procedures required by the State Education Department, and that the District implement procedures for the above items to improve the internal controls for the extra classroom activity accounts.

**STATUS: Not Implemented.**

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We would like to acknowledge the courtesy and assistance extended to us by personnel of the District. Should you have any questions concerning the matters referred to in this letter, we shall be pleased to discuss them with you, at your convenience.

This communication is intended solely for the information and use of the Board of Education, the audit committee, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*R.S. Abrams & Co., LLP*

R.S. Abrams & Co., LLP  
Islandia, New York  
October 13, 2022

# CENTRAL ISLIP UNION FREE SCHOOL DISTRICT

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Post Office Box 9027  
Central Islip, New York 11722



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JESSICA IAFRATE  
INTERIM ASSISTANT SUPERINTENDENT FOR CURRICULUM AND INSTRUCTION  
SHARON MORGAN  
SCHOOL BUSINESS ADMINISTRATOR

## **Corrective Action Plan: Submitted in Response to Auditor's Management Letter for Fiscal Year Ending June 30, 2022**

The following is submitted in response to the 2021-2022 external audit and management letter prepared by the accounting firm of R. S. Abrams & Co. The Central Islip Union Free School District hereby submits the following as a corrective action plan and response to the findings identified in these documents.

### **CURRENT YEAR FINDINGS AND RECOMMENDATIONS**

#### **Bank Reconciliation**

**Recommendation:** During our current year audit, we noted the District was carrying old outstanding checks for more than one year on the monthly bank reconciliations for the general fund checking account, school lunch fund checking account and special aid fund checking account. We recommend that all outstanding checks be reviewed on a regular basis and that older items get investigated and removed from the bank reconciliations and the accounting records adjusted accordingly.

#### **Implementation Plan of Action:**

The District will review the outstanding check list on a monthly basis to ensure that older items are investigated and removed from the bank reconciliation.

**Responsible Individual(s):** Sharon Morgan, Business Administrator

**Implementation Date:** June 30, 2023

#### **School Lunch Fund**

During our current year audit, we noted that the District's school lunch fund balance exceeded the three-month average expenditure level allowable by Federal Regulation 7CFR Part 210.14(b) by \$632,441. The excess fund balance was primarily due to increased state and federal reimbursement exceeding the cost of distributing free meals to all students of the District. We recommend that the District review the fund balance level and develop a formal plan to utilize the excess fund balance and invest back into the program for the 2022-2023 school year.

#### **Implementation Plan of Action:**

The District will develop a plan to utilize the excess fund balance.

**Responsible Individual(s):** Paul Carozzo, Food Service Director

**Implementation Date:** June 30, 2023

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## Capital Fund

**Recommendation:** During the Audit it was noted that capital projects with balances appear to be closed, as there were no revenues or expenditures recorded for these projects for the past few years. We recommend the District review each capital project to determine whether the capital project should be closed out and the applicable fund balance transferred back to the general fund or used to offset future debt service payments based on the source of the revenues.

**Implementation Plan of Action:** The District will review all capital projects in the fund with balances that are closed and will transfer those balances back to the General Fund.

**Responsible Individual(s):** Sharon Morgan, Business Administrator

**Implementation Date:** June 30, 2023

## Extra Classroom Accounts

The District has established extra classroom activity accounts to maintain student activities and funds. The New York Education Department has published guidelines governing the proper procedures and policies governing the extra classroom accounts and transactions.

During our current year audit of all the District's extra classroom activity accounts, we noted the following:

- Four clubs (Drama Club, Varsity Club, Rapier, and Spanish Club) had no financial activity for the past five consecutive fiscal years, and one club (the French Club) had no financial activity for the past three consecutive fiscal years.
- Three out of ten cash receipts tested had a large time lag between the treasurer's receipt date and the bank deposit date.
- Three out of ten clubs tested did not have an extra classroom club charter on file.

We recommend the District continue to provide training to the extra classroom treasurers and advisors of the proper procedures required by the State Education Department, and that the District implement procedures for the above items to improve the internal controls for the extra classroom activity accounts.

### **Implementation Plan of Action:**

The High School Principal and the Club Advisors will ensure that:

- Clubs with no financial activity for three years are closed.
- Cash receipts are deposited on a timely basis
- All active clubs have current charter on file.

Additional training will be provided to extra classroom club advisors and student treasurers as needed.

**Responsible Individual(s):** Eric Haruthunian, High School Principal and Sharon Morgan,  
Business Administrator.

**Implementation Date:** June 30, 2023

Respectfully submitted;

Sharon Morgan  
Business Administrator

November 29, 2022

# CENTRAL ISLIP UNION FREE SCHOOL DISTRICT

**BOARD OF EDUCATION**  
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SHARON MORGAN  
SCHOOL BUSINESS ADMINISTRATOR

December 12, 2022

A Regular Meeting of the Central Islip Board of Education, Town of Islip, Suffolk County, New York, was held on December 12, 2022 in the Proscia Multi-Purpose Room, Alfano Building, 50 Wheeler Road, Central Islip, New York 11722.

PRESENT: Norman Wagner, Michele Harriott, Daniel Devine, Glenn Mitchell, Jim Musumeci, Debra Cavanagh, Luis Alcántara  
Denise Ridgeway, District Clerk  
Kevin Miller, District Treasurer  
Sharon Dungee, Superintendent of Schools  
Matt Matera, Assistant Superintendent for Administration  
Matthew Providente, Director of Facilities  
Thomas Weiner, Director of School Safety  
Angela Austin, Assistant Superintendent for Special Education & PPS  
Sharon Morgan, School Business Administrator  
Jessica Iafrate, Interim Assistant Superintendent for Curriculum and Instruction

Residents of the Community

ABSENT: Kevin A. Seaman, Esq., School Board Attorney

Mr. Norman Wagner, Board President, called the meeting to order at 7:35 p.m.

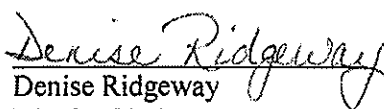
The following motion was acted on:

## **ITEM 12H. CORRECTIVE ACTION PLAN – FINANCIAL AUDIT 2021-2022**

Upon the recommendation of the Superintendent of Schools, the Board of Education approved the Corrective Action Plan as presented in response to audit findings to the Financial Statements of June 30, 2022, as presented in the Management Letter provided by the accounting firm of R.S. Abrams & Co. and further authorized the transmission of the Resolution of Approval to the appropriate State Officials.

A motion was made by Mr. Wagner, seconded by Mr. Musumeci. Motion carried 7-0.

Respectfully submitted,

  
Denise Ridgeway  
District Clerk