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VIA EMAIL

Board of Education
Syosset Central School District
99 Pell Lane
Syosset, NY 11791

Re: Internal Audit Key Control Reports

Board of Education:

We have performed internal audit services for the Syosset Central School District applicable to various key controls within Central Office. The services we performed include testing, reviewing and evaluating internal controls pertaining to selected transactions and accounting functions within the District. Enclosed within this correspondence are individual internal audit reports for work performed to date in the following audit areas:

- Extraclassroom Activity Funds – Cash Receipts**
- Grants – Allowable Costs and Expenditures**
- Student Registration and Enrollment**

If you have any questions or you would like to discuss this matter further, please contact our offices.

Very truly yours,

Nawrocki Smith LLP

INTERNAL AUDITOR'S REPORT

Syosset Central School District

Extraclassroom Activity Funds – Cash Receipts *December 2022*

Inherent Risk Rating: High

Control Risk Rating: Low

Audit Opinion: Satisfactory

Purpose/Objectives:

Extraclassroom activity funds include after school clubs that are run by students and Faculty Advisors and receive financial support from donations and fundraisers. Section 172 of the Commissioner's Regulations requires that the Board of Education make rules and regulations for the establishment, conduct, operation, and maintenance of Extraclassroom activities and for the safeguarding, accounting and audit of all moneys received. In addition, Section 172 of the Commissioner's Regulations requires that records of receipts and expenditures be maintained and that reports be made at least quarterly to the Board of Education and an independent and impartial audit of the accounts for the Extraclassroom activity funds be made at least annually in conjunction with the audit of the District's records. Testing procedures were conducted to assess the processing and reporting of Extraclassroom activity fund cash receipts and ensure the safeguarding of donated and student raised funds for which the District has custody.

The objectives of the testing were to:

- Determine compliance with District policies
- Ensure that the deposit form is properly completed and includes all required signatures
- Ensure that the deposit form agrees to the deposit slip and bank statement
- Ensure that cash receipts are deposited timely
- Ensure that cash receipts are properly recorded and accounted for by the Central Treasurer
- Evaluate the sufficiency of supporting documentation
- Ensure that monthly Treasurer's Reports include all clubs and activity is properly reported
- Identify weaknesses, if any, in the internal control process
- Recommend possible enhancements to the process; if applicable

Scope:

We selected twenty-five (25) Extraclassroom activity fund cash receipts during the time period of September 2022 and October 2022 and tested the selected transactions against the objectives noted above. It should be noted that our selection included clubs from the High School, both Middle Schools, and four (4) Elementary Schools.

Observation

We noted that all twenty-five (25) Extraclassroom activity fund cash receipts selected for testing were in compliance with the objectives noted above.

➤ *No recommendation at this time.*

Audit Comment:

The District's controls surrounding the Extraclassroom Activity Fund cash receipt function are operating effectively.

INTERNAL AUDITOR'S REPORT

Syosset Central School District

Grants – Allowable Costs and Expenditures

December 2022

Inherent Risk Rating: High

Control Risk Rating: Low

Audit Opinion: Satisfactory

Purpose/Objectives:

Grants provide additional funding to school districts for specific programs, student expenses, and instructional expenses. Grant expenditures must comply with NYSED grant uses and restrictions and disbursements must be coded to the correct budget code within the grant. It is imperative for school districts to properly plan and monitor grant expenditures and ensure there is documented, knowledgeable oversight of expenditure processing. Testing procedures were conducted to assess the procedures and documentation surrounding grant expenditures.

The objectives of the testing were to:

- Determine compliance with District policies and procedures
- Determine if expenditures are in compliance with conditions set forth in the grant
- Verify that there is proper supporting documentation for each expenditure
- Verify that expenditures are coded to the correct budget code
- Verify purchase orders were issued after the grant start date and before the grant end date
- Identify weaknesses, if any, in the internal control process
- Recommend possible enhancements to the process, if applicable

Scope:

We selected twenty (20) grant expenditures made during the 2021-2022 school year and tested each expenditure against the objectives noted above.

Observation

We noted that the twenty (20) grant expenditures selected for testing were in compliance with the objectives noted above.

➤ *No recommendation at this time.*

Audit Comment:

The District's controls surrounding the grant expenditures function are operating effectively.

INTERNAL AUDITOR'S REPORT

Syosset Central School District

Student Registration and Enrollment

December 2022

Inherent Risk Rating: High

Control Risk Rating: Low

Audit Opinion: Satisfactory

Purpose/Objectives:

To enroll a child in school, a parent or guardian must show proof of residency within the District, proof of the child's age, and proof of immunizations. The registrar is responsible for collecting the required forms and proper documentation in order to enroll the child. Additional documentation is required when the child is placed within the District by an outside agency or parent residing in a different District. Documented knowledgeable oversight, tracking, and monitoring of these forms will ensure the correct documentation is obtained prior to enrollment. Testing procedures were conducted to assess the recordkeeping procedures surrounding registration and enrollment documentation.

The objectives of the testing were to:

- Determine compliance with District policies and procedures
- Verify that a properly completed Student Registration Form is on file
- Verify that a properly completed Parent Affidavit is on file, if applicable
- Verify that a properly completed Resident Affidavit is on file, if applicable
- Verify that a properly completed Homeowner/Leaseholder Affidavit is on file, if applicable
- Verify that proof of residency documentation is on file
- Verify that proof of age documentation is on file
- Verify that proof of immunizations are on file
- Verify that a Health Certificate is on file
- Verify that a transfer/discharge notice from the previous district is on file, if applicable
- Verify that there is proof of reverification of residency for students prior to entry into Middle School or High School, if applicable
- Identify weaknesses, if any, in the internal control process
- Recommend possible enhancements to the process, if applicable

Scope:

We selected fifty (50) currently enrolled students, as per a November 2022 student enrollment report from the student management system, to determine compliance with the objectives noted above. It should be noted that selections were grade specific, as the procedure to maintain all documentation electronically began in 2019 and there is a requirement as per District Policy #5150 *School Admissions* to reverify a student's residency prior to entry into Middle School and High School.

Observation

We noted that the fifty (50) students selected for testing had supporting documentation on file that was in compliance with the objectives noted above.

➤ *No recommendation at this time.*

Audit Comment:

The District's controls surrounding the registration and enrollment function are operating effectively.