

# Management Letter - June 30, 2019

October 10, 2019

To the Board of Education and Management  
Longwood Central School District  
Middle Island, New York

In planning and performing our audit of the financial statements of the Longwood Central School District (District) as of and for the year ended June 30, 2019, 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 auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion 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.

During our audit, we noted certain opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions concerning those matters. This letter does not affect our report, dated October 10, 2019, on the financial statements of the Longwood Central School District.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various District personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of the Board of Education, Audit Committee, management, others you deem appropriate within the District, and any governmental authorities you need to share this information with. It is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Cullen & Danowski, LLP

# Management Letter - June 30, 2019

**Longwood Central School District**  
For the Year Ended June 30, 2019

---

## **Current Year Comments**

### **Special Aid Fund – Grants Management**

Good business practice includes proper grants management related to the monitoring of carryover funds into the grants' subsequent fiscal year.

During our audit of the 2018-19 grants, we found that some of the grants ended the fiscal year with a sizable amount of potential carryover funds into the 2019-20 year.

We recommend that the District improve oversight of the grants to ensure that the respective programs expend the available funds in the same year due to the risk that potential carryover funds may not be approved resulting in a loss of grant funding for the District.

### **Food Service Fund – Fund Balance**

Federal Regulation, 7CFR Part 210.14b, limits the net cash resources within the food service fund to an amount that does not exceed three-month average expenditures.

During our audit, we note that the food service fund's fund balance amount is in excess of the three-month average expenditures.

We recommend that the District continue monitoring the food service fund's fund balance excess to ensure compliance with Federal Regulation, 7CFR Part 210.14b. We understand that the District has developed a plan to utilize monies from the fund balance to reduce the amount below the three month expenditures amount.

## **Prior Year Comments**

No findings or recommendations noted during the prior year audit.