CORRECTIVE ACTION PLAN AS OF JUNE 30, 2022
CURRENT YEAR FINDINGS AND RECOMMENDATIONS
NORTH MERRICK UNION FREE SCHOOL DISTRICT

Fund Balance – Unassigned

During our current year audit, we noted the District's unassigned fund balance exceeded 4% of the 2022-2023 budget. NYS Real Property Tax Law 1318 limits the amount of unassigned fund balance in the general fund to an amount not greater than 4% of the District's budget for the ensuing fiscal year. We recommend the District monitor its fund balance more closely to ensure compliance with NYS Real Property Tax Law 1318.

Corrective Action

The District continues to strive to limit the unreserved fund balance to 4%. Funds held in excess of the 4% enable the district to ensure adequate liquidity to pay for our obligations throughout the school year, a sound fiscal practice, until its COIVD allocation for prior expenses are received.

Regarding the amount of unassigned fund balance in excess of the limit allowed by NY State Law, the District plans on using such funds to refund the District's Restricted Reserves in accordance with the Reserve Plan, once the District's COIVD allocation are received during the 22/23 school year.