November 30, 2020

New York State Education Department
Office of Audit Services
89 Washington Avenue
Room 524 EB
Albany, NY 12234


Comment #1

General Fund - Unassigned fund balance

Response

The Assistant Superintendent for Business is working with the Board of Education in a strategic plan to reduce the unassigned fund balance to no more than 4% of the subsequent year’s budget. The legislature has passed a law that allows the District to open a Tax Stabilization Reserve. The District is waiting for an amendment to the law to include in the next budget vote (2021-2022 school year) as a separate proposition. The District is planning to allocate money to this reserve rather than to the un-assigned fund balance. In addition, the District is expected to begin drawing down the fund balance because under the PILOT agreement with Indian Point, payments will be reduced by 15% next year.

Comment #2

School Lunch Fund – Fund balance

Response

Due to Covid-19, the District couldn’t begin the renovations at the BV Elementary School and High School cafeterias during the spring. We expect to work in the renovations during the year and reduce the fund balance within the limit by law.
Comment #3
School Lunch Fund – Inventory

Response
Due to Covid-19, Aramark, the district’s cafeteria management company, was unable to perform the inventory count at year’s end. The district in the past has always performed an inventory count with Aramark. Next year, we will continue with our past practice of counting inventory.

Comment #4
Special Aid Fund – Accrued liabilities

Response
The district has begun the process of reviewing the accrued liabilities to determine if they are still valid.

Comment #5
Special Purpose Fund – Inactive accounts

Response
The Assistant Superintendent for Business is working with the Board of Education in determining the intended purposes of these accounts. If these accounts are no longer required to be held in trust, the District will prepare a resolution to transfer the monies to other funds for Board of Education approval.

Comment #6
Extra Classroom Activity Fund – Cash management

Response
The high school and middle school principals have directed the treasurers of the extra classroom activity fund to pre-numbered receipts to enhance internal controls.

Comment #7
Extra Classroom Activity Fund – Old outstanding checks
The high school and middle school principals have directed the treasurers of the extra classroom activity fund to reconcile and adjust the books on a monthly basis to account for old outstanding checks.
Comment #8

Journal Entries – Approvals

Response

Due to the closure of schools and the fact that for four months the business office was working remotely, we did not have a day-to-day interaction and therefore missed some journal entry approvals. The business office has elaborated a procedure to approve journal entries even if we are working remotely.

Comment #9 and #10

Information Technology - User Access and Formal IT Risk Assessment

The Director of technology is reviewing all user accesses for employees who work in payroll. The district is discussing hiring IT auditors to perform a thorough audit of our systems and procedures.

Comment #11

Other Matters – Key employees

The Superintendent will discuss with the Board of Education the necessary steps to insure that if the Treasurer and Assistant Superintendent for Business cannot longer perform their duties, there is a smooth succession either by hiring additional personnel or redistributing some of the duties.

Sincerely,

[Signature]

Enrique Catalan
Assistant Superintendent for Business