



Chappaqua Central School District

Andrew B. Lennon
Assistant Superintendent for Business

Christine Ackerman Ph.D.
Superintendent of Schools

September 21, 2022

To: Board of Education

CC: Audit Committee
Dr. Christine Ackerman

From: Andrew B. Lennon & Cathy Lynch

Re: Management Response to External Audit Management Letter for 2021-22 Audit

This letter serves as the Management's response and corrective action plan to the recommendations found in the Management Letter prepared by PKF O'Connor Davies, the District's External Auditors, as part of their responsibilities for the 2021-22 fiscal year. The Auditor's recommendations are noted below followed by Management's Response

Extraclassroom Deposits (EA2122-1)

Recommendation:

We recommend that the district begin to make deposits within 72 hours of receipt.

Corrective Action: The Extraclassroom Central Treasurer will continue to proactively remind club advisors of the need for timely deposit of funds with the Central Treasurer via email. Additionally, an email will be sent to the club advisors when a late deposit is identified by the Central Treasurer.

Implementation Date: COMPLETE - September 21, 2022

Person Responsible for Implementation: Cathleen Lynch, District Treasurer & Extraclassroom Activities Fund Central Treasurer

Audit Readiness – Fixed Assets (EA2122-2)

Recommendation: We recommend that in the future the District prepare a complete detail of construction in process at year end that reconciles to its internal records.

Corrective Action: The responsibility for maintenance of construction in process records will be moved from the Property Control Manager (Purchase Clerk) to the Accountant. The Accountant, who maintains the records for capital projects, will maintain records of Construction in Process annually and reconcile this schedule with the Fixed Asset Inventory at year end. Transition will begin immediately with full implementation for June 30, 2023 External Audit.

Implementation Date: June 30, 2023

Person Responsible for Implementation: Andrew Lennon, Assistant Superintendent for Business

Capital Projects Fund – Inactive Projects (EA2122-3)

Recommendation: We recommend that a review of all capital projects be performed to determine the status of completion and the proper distribution of unspent funds.

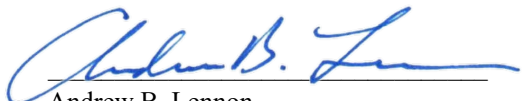
Corrective Action: Of the four projects noted with no activity, one project was tied to the bond project and held up due to pending litigation, which is now resolved, one included repairs to the Bell cafeteria which will be addressed in the 2022-23 fiscal year, and one was closed as of June 30, 2022 with the expenditure of the final \$1.00 of funds available. The final project will be presented to the BOE for return of \$37,672 in unexpended funds to the general fund at an upcoming meeting.

Implementation Date: October 31, 2022

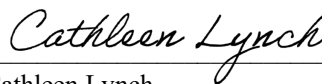
Person Responsible for Implementation: Andrew Lennon, Assistant Superintendent for Business

We would like to thank the staff at PKF O'Connor Davies as well as our District colleagues for the professionalism and cooperation throughout this audit process, and we look forward to implementing these recommendations in the near future.

Sincerely,



Andrew B. Lennon
Assistant Superintendent for Business



Cathleen Lynch
District Treasurer