

GREAT NECK PUBLIC SCHOOLS

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John T. Powell
Assistant Superintendent for Business

January 14, 2019

Mrs. Jill Sanders, CPA
Engagement Partner
Cullen & Danowski, LLP
Certified Public Accountants
1650 Route 112
Port Jefferson Station, New York 11776-3060

Re: Management Letter for the year ending June 30, 2019

Dear Jill:

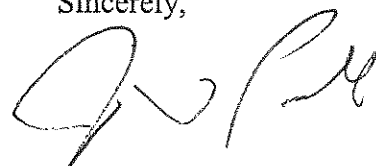
The following is the District response to the one item listed in the Management Letter for the year ending June 30, 2018.

Undesignated Fund Balance – General Fund

The District's plan to reduce the undesignated fund balance to the 4% level allowable by Real Property Tax Law Section 1318 will be to establish a Capital Reserve in the amount of approximately \$19,000,000. The first vote to establish and fund the reserve will be in May of 2019; the second vote to list the projects and amounts and permission to spend the money will be in May of 2020. A preliminary list of projects to be funded by this Reserve is in progress and will be finalized in the next one and a half months.

The District realizes that the above comment/finding was provided in an effort to strengthen internal controls, and to ensure the timely preparation of financial statements that assist administration and the Board of Education in making sound financial and educational decisions. All effort will be made to address this comment timely, and to ensure that this and any new comments do not appear, or if they do, they will be minimal in number and materiality in the future.

Sincerely,



John T. Powell