

RYE NECK UNION FREE SCHOOL DISTRICT
MEMORANDUM ON ACCOUNTING PROCEDURES
AND INTERNAL CONTROLS
JUNE 30, 2018



To the Board of Education of the
Rye Neck Union Free School District

In planning and performing our audit of the financial statements of the Rye Neck Union Free School District (the "District") as of and for the year ended June 30, 2018, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, we considered the District's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This memorandum presents information as to the status of prior audit recommendations. This letter does not affect our report dated September 14, 2018 on the financial statements of the District. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional studies 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, administration, others within the District, and federal awarding agencies and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Melville, New York
September 14, 2018

RYE NECK UNION FREE SCHOOL DISTRICT
FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2018

The following presents our findings and recommendations noted during the audit of the financial statements of the Rye Neck Union Free School District as of and for the year ended June 30, 2018, as well as the status of recommendations made in connection with prior audits of the financial statements.

CURRENT YEAR RECOMMENDATION:

None reported.

In connection with prior year audits of the financial statements of the Rye Neck Union Free School District, the prior auditors made certain recommendations that were reported. Reference is made to the prior year report dated August 24, 2017 for details on those observations and recommendations. The following presents an overview of those matters, as well as our understanding of their current status:

STATUS OF PRIOR YEAR RECOMMENDATIONS:

1. Recommendation – It was recommended that the District ensure deposits of Extraclassroom Activity funds were deposited timely.

Status – We noted this recommendation was implemented.

2. Recommendation – It was recommended that the District designate one computer to be used for online banking

Status – We noted this recommendation was implemented.

3. Recommendation – It was recommended that the District add tiered dollar thresholds to the purchasing policy to ensure the District is getting the best possible price from vendors.

Status – We noted this recommendation was not implemented.

4. Recommendation – It was recommended that all journal entries require a secondary approval from someone other than the person entering the journal entry into the general ledger accounting system.

Status – We noted this recommendation was implemented.

5. Recommendation – It was recommended that District review all budget transfers and their budget development practice to ensure adherence to the Commissioner's Regulations.

Status – We noted this recommendation was implemented.

6. Recommendation – It was recommended that the District annually approve those employees who will be authorized to use District accounts at the reorganizational meeting.

Status – We noted this recommendation was implemented.

7. Recommendation – It was recommended that the District develop procedures to ensure the vendor database is reviewed annually for all proper information.

Status – We noted this recommendation was implemented.