

RYE NECK UNION FREE SCHOOL DISTRICT
MEMORANDUM ON ACCOUNTING PROCEDURES
AND INTERNAL CONTROLS
JUNE 30, 2019



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, 2019, 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.

During our audit, we became aware of a certain matter involving the internal control structure that is presented for your consideration. This memorandum also presents information as to the status of a prior audit recommendation. This letter does not affect our report dated September 6, 2019 on the financial statements of the District. We will review the status of these comments during our next audit engagement. Our comments and recommendation, all of which has been discussed with appropriate members of management, is 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 recommendation.

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 6, 2019

A handwritten signature in black ink that reads "Nawrocki Smith LLP". The signature is written in a cursive, flowing style.

RYE NECK UNION FREE SCHOOL DISTRICT
FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2019

The following presents our findings and recommendation 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, 2019, as well as the status of a recommendation made in connection with prior audits of the financial statements.

CURRENT YEAR RECOMMENDATION:

1. **Deposit timing – Extraclassroom Activity Funds**

During our audit of the District's Extraclassroom Activity Funds, we noted deposits were not made in a timely manner. The State Education Department's Guide to Extraclassroom Activity Funds recommends that the District make deposits on the next school day after receiving the money. When deposits are not made in a timely fashion, the risk of loss associated with Extraclassroom Activity Funds is increased.

We recommend the District deposit all Extraclassroom Activity Funds within a reasonable amount of time. In this manner, internal controls over Extraclassroom Activity Funds may be enhanced.

STATUS OF PRIOR YEAR RECOMMENDATION:

1. **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 implemented.