

Michael E. Nawrocki
Ernest Patrick Smith



CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Lauren M. Agunzo
John K. Hoffman
Darin V. Iacobelli
David M. Tellier

July 22, 2021

VIA EMAIL

Ms. Kathi Kivi
District Clerk
East Ramapo Central School District
105 South Madison Avenue
Spring Valley, NY 10977

Re: Claims Audit Report for June 2021

Dear Ms. Kivi:

Enclosed please find a copy of our Claims Audit Report for June 2021. Please distribute a copy to the Chief Financial Officer and distribute a copy to each of the Board members of the East Ramapo Central School District.

Thank you for your assistance in this matter.

Sincerely yours,

Darin V. Iacobelli

Darin V. Iacobelli, CPA

Enclosure



CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

July 22, 2021

VIA EMAIL

Board of Education
East Ramapo Central School District
105 South Madison Avenue
Spring Valley, NY 10977

***Re: Claims Audit Report for the Month of
June 1, 2021 through June 30, 2021***

Board of Education:

We have completed our claims auditing services to the East Ramapo Central School District covering the time period of June 1, 2021 through June 30, 2021. The services we performed, as outlined within our proposal, include reviewing all claims against the District. The purpose of this report is to update the Board of Education on work performed to date, our findings, and recommendations.

For ease of reference we have categorized the remainder of this report as follow:

Claims Audit Services

Exhibits

CLAIMS AUDIT SERVICES

The claims audit services performed on each claim against the District consisted of:

1. Verification of the accuracy of invoices and claim forms.
2. Ensuring proper approval of all purchases; checking that purchases constitute legal expenses of the school district.
3. Determining that purchase orders have been issued in accordance with Board of Education policy, and applicable state law.

*Board of Education
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*Re: Claims Audit Report for the Month of
June 1, 2021 through June 30, 2021*

4. Comparison of invoices or claims with previously approved contracts.
5. Reviewing price extensions, claiming of applicable discounts, inclusion of shipping and freight charges.
6. Approving all charges that are presented for payment which are supported with documentary evidence indicating compliance with all pertinent laws, policies and regulations.

Over the time period of June 1, 2021 through June 30, 2021 we have audited **1,615** claims against the District in the amount of **\$17,714,541.48** (See attached Exhibit I). We made inquiries and/or observations into **47** claims in the amount of **\$3,244,562.12**. It should be noted that currently, there are no outstanding inquiries in regard to the audit of claims made against the District for the period of July 1, 2020 through June 30, 2021. We have summarized the inquiries and/or observations as well as the resolutions within Exhibit II.

Please note that for comparative purposes, we have attached Exhibit II – “Summary of Inquiries/Resolutions” for each of the prior months, if applicable.

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We trust that the foregoing comments are clear. If you have any questions or you would like to discuss this matter further, please contact me at 631-756-9500.

Very truly yours,

Nawrocki Smith LLP

Claims Audit By Fund
East Ramapo Central School District
Exhibit I
June 2021

Legend:	
A - General	H - Capital
C - School Lunch	TA - Trust & Agency
F - Special Aid	CM - Scholarship

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
06/09/21	06/09/21	195	A	21	1,343,695.80	-	-	-	-	418044-418064
06/09/21	06/09/21	197	A	77	2,039,864.09	11	62,438.94	11	-	418065-418141
06/09/21	06/09/21	194	C	2	20,378.60	-	-	-	-	16488-16489
06/09/21	06/09/21	198	F	86	1,678,200.69	9	102,630.74	9	-	54318-54403
06/09/21	06/09/21	196	H	1	622.60	-	-	-	-	425
06/09/21	06/09/21	193	TA	2	52,472.72	-	-	-	-	37508-37509
TOTAL				189	\$ 5,135,234.50	20	\$ 165,069.68	20	-	

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
06/16/21	06/23/21	200	A	4	25,969.71	-	-	-	-	418142-418145
06/23/21	06/23/21	203	A	8	396,143.65	1	400.00	1	-	418147-418154
06/23/21	06/23/21	207	A	165	1,909,448.51	6	22,838.99	6	-	418146; 418155-418318
06/30/21	06/23/21	208	A	1094	640,325.50	-	-	-	-	418319-419412
06/23/21	06/23/21	209	C	2	965,581.05	-	-	-	-	16490-16491
06/23/21	06/23/21	201	F	55	1,525,790.48	12	76,751.95	12	-	54404-54458
06/23/21	06/23/21	202	H	1	3,525.00	1	3,525.00	1	-	426
06/23/21	06/23/21	205	TA	1	1,420.00	1	1,420.00	1	-	37524
06/23/21	06/23/21	204	CM	4	2,600.00	-	-	-	-	2643-2646
TOTAL				1334	\$ 5,470,803.90	21	\$ 104,935.94	21	-	

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
06/30/21	06/30/21	214	A	2	3,200,344.13	1	2,956,609.30	1	-	419413-419414
06/30/21	06/30/21	215	A	56	3,402,450.49	3	7,365.96	3	-	419415-419470
06/30/21	06/30/21	213	F	29	453,561.34	2	10,581.24	2	-	54459-54487
06/30/21	06/30/21	212	TA	2	51,147.12	-	-	-	-	37535-37536
06/30/21	06/30/21	211	CM	3	1,000.00	-	-	-	-	2647-2649
TOTAL				92	\$ 7,108,503.08	6	\$ 2,974,556.50	6	-	

GRAND TOTAL				1615	\$ 17,714,541.48	47	\$ 3,244,562.12	47	-	
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*Payroll Warrants are included for informational purposes only and have not been reviewed.

Check Date	Payroll Run Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
06/04/21	06/04/21	191	TA	43	2,239,717.36	-	-	-	-	37495-37507; Wires
06/07/21	06/07/21	192	TA	5	29,756.77	-	-	-	-	Wires
06/18/21	06/18/21	199	TA	44	2,307,025.97	-	-	-	-	37510-37523; Wires
06/25/21	06/25/21	206	TA	12	4,175,523.89	-	-	-	-	37525-37530; Wires
06/30/21	06/30/21	210	TA	13	530,177.39	-	-	-	-	37531-37534; Wires
TOTAL				117	\$ 9,282,201.38	-	-	-	-	

East Ramapo Central School District
Claims Audit - Analysis by Number of Inquiries & Dollar Value
Summary of Inquiries / Resolutions and Percentage of Total Claims & Dollar Value of Claims
Exhibit II
2020 / 2021 YTD

Reason For Inquiry	Resolution	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Incorrect accounts payable amount	Amount adjusted prior to payment	- 0.00%	3 2.38%	2 0.16%	1 0.36%	4 1.13%	1 0.07%
Paid sales tax	Amount adjusted prior to payment	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Incorrect remittance address	Address verified	- 0.00%	2 1.59%	3 0.23%	2 0.73%	- 0.00%	1 0.07%
Insufficient supporting documentation	Documentation provided	- 0.00%	1 0.79%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Invoice date precedes purchase order date	Noted by Business Office	15 4.17%	12 9.52%	8 0.62%	22 8.00%	47 13.28%	33 2.27%
Invoice over 90 days outstanding	Verified not a duplicate payment	3 0.83%	8 6.35%	4 0.31%	10 3.64%	14 3.95%	4 0.28%
Missing receiving or approval signature	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Not an original invoice or receipt	Copy or fax accepted	3 0.83%	1 0.79%	- 0.00%	2 0.73%	- 0.00%	- 0.00%
Receipts not itemized	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total Number (#) of Inquiries		21 5.83%	27 21.43%	17 1.32%	37 13.45%	65 18.36%	39 2.68%
Total Claims Audited		360 100.00%	126 100.00%	1,290 100.00%	275 100.00%	354 100.00%	1,453 100.00%

Total Outstanding Inquiries none none none none none none

Reason For Inquiry	Resolution	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Incorrect accounts payable amount*	Amount adjusted prior to payment*	- 0.00%	353,136.41 9.11%	3,452.85 0.03%	146.91 0.00%	8,727.31 0.07%	25,382.00 0.14%
Paid sales tax*	Amount adjusted prior to payment*	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Incorrect remittance address	Address verified	- 0.00%	24,267.29 0.63%	212,031.52 2.02%	332.01 0.00%	- 0.00%	500.00 0.00%
Insufficient supporting documentation	Documentation provided	- 0.00%	7,300.00 0.19%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Invoice date precedes purchase order date	Noted by Business Office	66,391.79 0.65%	139,382.54 3.59%	169,517.65 1.61%	408,234.21 2.26%	3,243,276.57 24.64%	2,193,026.10 12.32%
Invoice over 90 days outstanding	Verified not a duplicate payment	122,001.00 1.19%	3,112.77 0.08%	1,901,066.07 18.07%	1,829,196.44 10.12%	369,729.33 2.81%	78,716.39 0.44%
Missing receiving or approval signature	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Not an original invoice or receipt	Copy or fax accepted	2,638.01 0.03%	16.60 0.00%	- 0.00%	1,900.50 0.01%	- 0.00%	- 0.00%
Receipts not itemized	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total Value (\$) of Inquiries		\$ 191,030.80 1.87%	\$ 527,215.61 13.60%	\$ 2,286,068.09 21.73%	\$ 2,239,810.07 12.39%	\$ 3,621,733.21 27.52%	\$ 2,297,624.49 12.91%
Total Claims Audited		\$ 10,218,268.19 100.00%	\$ 3,877,797.93 100.00%	\$ 10,520,807.07 100.00%	\$ 18,075,880.21 100.00%	\$ 13,161,881.76 100.00%	\$ 17,795,288.66 100.00%

Total Outstanding Inquiries none none none none none none

* Note: Inquiry Amounts for each month reflect the entire check amounts associated with each incorrect accounts payable amount and paid sales tax inquiries.
The table below reflects each month's actual net adjustment for incorrect accounts payable amount and paid sales tax inquiries.

Reason For Inquiry	Resolution	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Incorrect accounts payable amount*	Amount adjusted prior to payment*	\$ - 0.00%	\$ (7,126.30) -0.18%	\$ (1,306.00) -0.01%	\$ (9.98) 0.00%	\$ 63.49 0.00%	\$ 0.10 0.00%
Paid sales tax*	Amount adjusted prior to payment*	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%
Total Claims Audited		\$ 10,218,268.19 100.00%	\$ 3,870,671.63 100.00%	\$ 10,519,501.07 100.00%	\$ 18,075,870.23 100.00%	\$ 13,161,945.25 100.00%	\$ 17,795,288.76 100.00%

East Ramapo Central School District
Claims Audit - Analysis by Number of Inquiries & Dollar Value
Summary of Inquiries / Resolutions and Percentage of Total Claims & Dollar Value of Claims
Exhibit II
2020 / 2021 YTD

Reason For Inquiry	Resolution	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Incorrect accounts payable amount	Amount adjusted prior to payment	5 1.31%	2 0.52%	1 0.06%	1 0.61%	4 0.86%	2 0.12%
Paid sales tax	Amount adjusted prior to payment	1 0.26%	1 0.26%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Incorrect remittance address	Address verified	- 0.00%	4 1.04%	2 0.12%	1 0.61%	2 0.43%	2 0.12%
Insufficient supporting documentation	Documentation provided	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Invoice date precedes purchase order date	Noted by Business Office	32 8.38%	15 3.89%	11 0.65%	7 4.24%	22 4.74%	31 1.92%
Invoice over 90 days outstanding	Verified not a duplicate payment	13 3.40%	7 1.81%	6 0.36%	1 0.61%	11 2.37%	12 0.74%
Missing receiving or approval signature	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Not an original invoice or receipt	Copy or fax accepted	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Receipts not itemized	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total Number (#) of Inquiries		51 13.35%	29 7.51%	20 1.19%	10 6.06%	39 8.41%	47 2.91%
Total Claims Audited		382 100.00%	386 100.00%	1,687 100.00%	165 100.00%	464 100.00%	1,615 100.00%

Total Outstanding Inquiries none none none none none none

Reason For Inquiry	Resolution	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Incorrect accounts payable amount*	Amount adjusted prior to payment*	1,713,499.04 7.97%	15,824.07 0.11%	141.80 0.00%	51.23 0.00%	716,126.30 4.63%	2,958,161.27 16.70%
Paid sales tax*	Amount adjusted prior to payment*	366.71 0.00%	10,704.19 0.07%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Incorrect remittance address	Address verified	- 0.00%	10,709.28 0.07%	7,289.00 0.05%	2,260.50 0.03%	11,612.50 0.08%	7,652.83 0.04%
Insufficient supporting documentation	Documentation provided	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Invoice date precedes purchase order date	Noted by Business Office	7,849,838.45 36.50%	128,596.60 0.89%	62,911.11 0.45%	14,299.51 0.20%	153,274.60 0.99%	241,878.86 1.37%
Invoice over 90 days outstanding	Verified not a duplicate payment	548,542.37 2.55%	27,383.93 0.19%	17,264.35 0.12%	714.75 0.01%	50,942.68 0.33%	36,869.16 0.21%
Missing receiving or approval signature	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Not an original invoice or receipt	Copy or fax accepted	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Receipts not itemized	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total Value (\$) of Inquiries		\$ 10,112,246.57 47.03%	\$ 193,218.07 1.33%	\$ 87,606.26 0.62%	\$ 17,325.99 0.24%	\$ 931,956.08 6.02%	\$ 3,244,562.12 18.32%
Total Claims Audited		\$ 21,503,755.36 100.00%	\$ 14,504,775.82 100.00%	\$ 14,105,143.52 100.00%	\$ 7,181,269.45 100.00%	\$ 15,473,360.07 100.00%	\$ 17,714,541.48 100.00%

Total Outstanding Inquiries none none none none none none

* Note: Inquiry Amounts for each month reflect the entire check amounts associated with each incorrect accounts payable amount and paid sales tax inquiries.
The table below reflects each month's actual net adjustment for incorrect accounts payable amount and paid sales tax inquiries.

Reason For Inquiry	Resolution	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Incorrect accounts payable amount*	Amount adjusted prior to payment*	\$ (28,610.77) -0.13%	\$ (336.00) 0.00%	\$ (3.02) 0.00%	\$ (0.07) 0.00%	\$ 38,873.15 0.25%	\$ 45.32 0.00%
Paid sales tax*	Amount adjusted prior to payment*	\$ (1.38) 0.00%	\$ (155.93) 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%
Total Claims Audited		\$ 21,475,143.21 100.00%	\$ 14,504,283.89 100.00%	\$ 14,105,140.50 100.00%	\$ 7,181,269.38 100.00%	\$ 15,512,233.22 100.00%	\$ 17,714,586.80 100.00%