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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Lauren M. Agunzo
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David M. Tellier

January 7, 2020

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 December 2019

Dear Ms. Kivi:

Enclosed please find a copy of our Claims Audit Report for December 2019. Please distribute a copy to the Assistant Superintendent for Finance 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



January 7, 2020

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
December 1, 2019 through December 31, 2019***

Board of Education:

We have completed our claims auditing services to the East Ramapo Central School District covering the time period of December 1, 2019 through December 31, 2019. 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.

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*Re: Claims Audit Report for the Month of
December 1, 2019 through December 31, 2019*

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 December 1, 2019 through December 31, 2019 we have audited **1,639** claims against the District in the amount of **\$18,809,839.42** (See attached Exhibit I). We made inquiries and/or observations into **39** claims in the amount of **\$4,765,096.71**. 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, 2019 through December 31, 2019. 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.



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
December 2019

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
11/26/19	12/05/19	117	A	2	50,197.96	-	-	-	-	406682-406683
TOTAL				2	\$ 50,197.96	-	-	-	-	-

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
12/06/19	12/05/19	120	A	4	1,313,833.00	2	1,280,195.22	2	-	406684-406687
12/06/19	12/05/19	123	A	141	4,130,102.45	7	771,146.61	7	-	406688-406828
12/06/19	12/05/19	119	C	6	55,165.56	1	31,222.75	1	-	16367-16372
12/06/19	12/05/19	126	F	31	668,637.09	1	73.20	1	-	52849-52879
12/06/19	12/05/19	125	H	12	928,233.60	-	-	-	-	282-293
12/06/19	12/05/19	121	TA	8	1,010.00	-	-	-	-	36869-36876
12/06/19	12/05/19	124	TA	1	400.00	-	-	-	-	36877
12/06/19	12/05/19	122	CM	1	500.00	-	-	-	-	2634
TOTAL				204	\$ 7,097,881.70	11	\$ 2,082,637.78	11	-	-

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
12/13/19	12/12/19	128	A	28	1,583,217.54	-	-	-	-	406831-406858
12/13/19	12/12/19	130	A	130	381,284.89	12	26,286.63	12	-	406829-406830; 406859-406986
12/31/19	12/12/19	131	A	1109	602,292.70	-	-	-	-	406987-408095
12/13/19	12/12/19	129	F	26	763,329.83	6	95,549.17	6	-	52880-52905
12/13/19	12/12/19	127	H	3	25,785.57	-	-	-	-	294-296
TOTAL				1296	\$ 3,355,910.53	18	\$ 121,835.80	18	-	-

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
12/20/19	12/19/19	134	A	98	5,217,423.59	5	11,094.79	5	-	408096-408193
12/20/19	12/19/19	136	A	5	2,282,230.87	1	2,002,880.36	1	-	408194-408198
12/20/19	12/19/19	137	C	4	18,086.48	-	-	-	-	16373-16375; Wire
12/20/19	12/19/19	139	F	21	664,836.72	2	526,884.23	2	-	52906-52926
12/20/19	12/19/19	135	H	4	45,212.00	-	-	-	-	297-300
12/20/19	12/19/19	138	TA	4	58,695.82	1	400.00	1	-	36897-36900
TOTAL				136	\$ 8,286,485.48	9	\$ 2,541,259.38	9	-	-

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
12/20/19	12/20/19	140	A	1	19,363.75	1	19,363.75	1	-	408199
TOTAL				1	\$ 19,363.75	1	\$ 19,363.75	1	-	-

GRAND TOTAL				1639	\$ 18,809,839.42	39	\$ 4,765,096.71	39	-	-
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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
12/06/19	12/06/19	118	TA	47	2,107,397.01	-	-	-	-	36852-36868; Wires
12/13/19	12/13/19	132	TA	5	30,542.49	-	-	-	-	Wires
12/20/19	12/20/19	133	TA	49	2,159,216.40	-	-	-	-	36878-36896; Wires
TOTAL				101	\$ 4,297,155.90	-	-	-	-	

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
2019 / 2020 YTD

Reason For Inquiry	Resolution	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Incorrect accounts payable amount	Adjust next invoice	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Incorrect accounts payable amount	Amount adjusted prior to payment	4 1.00%	2 0.72%	4 0.26%	4 0.78%	2 0.36%	3 0.18%
Paid sales tax	Adjust next invoice	- 0.00%	1 0.36%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Paid sales tax	Amount adjusted prior to payment	- 0.00%	- 0.00%	1 0.07%	1 0.19%	1 0.18%	- 0.00%
Incorrect remittance address	Address verified	3 0.75%	1 0.36%	1 0.07%	9 1.75%	8 1.46%	1 0.06%
Insufficient supporting documentation	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Invoice date precedes purchase order date	Noted by Business Office	15 3.75%	22 7.97%	29 1.91%	64 12.43%	50 9.11%	28 1.71%
Invoice over 90 days outstanding	Verified not a duplicate payment	18 4.50%	8 2.90%	17 1.12%	12 2.33%	19 3.46%	6 0.37%
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	1 0.25%	- 0.00%	1 0.07%	- 0.00%	1 0.18%	1 0.06%
Receipts not itemized	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total Number (#) of Inquiries		41 10.25%	34 12.32%	53 3.49%	90 17.48%	81 14.75%	39 2.38%
Total Claims Audited		400 100.00%	276 100.00%	1,517 100.00%	515 100.00%	549 100.00%	1,639 100.00%
Total Outstanding Inquiries		none	none	none	none	none	none

Reason For Inquiry	Resolution	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Incorrect accounts payable amount*	Adjust next invoice	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Incorrect accounts payable amount*	Amount adjusted prior to payment*	133,979.01 1.09%	2,998.35 0.02%	17,065.84 0.11%	154,758.97 1.02%	312,950.57 2.16%	7,663.08 0.04%
Paid sales tax	Adjust next invoice	- 0.00%	511.13 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Paid sales tax*	Amount adjusted prior to payment*	- 0.00%	- 0.00%	340.88 0.00%	339.67 0.00%	3,223.33 0.02%	- 0.00%
Incorrect remittance address	Address verified	2,554.80 0.02%	22,617.80 0.18%	10,468.00 0.07%	13,142.84 0.09%	123,695.20 0.85%	313.36 0.00%
Insufficient supporting documentation	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Invoice date precedes purchase order date	Noted by Business Office	1,801,840.05 14.68%	248,271.82 1.99%	337,544.72 2.13%	1,039,796.30 6.89%	2,083,390.29 14.38%	4,653,601.19 24.74%
Invoice over 90 days outstanding	Verified not a duplicate payment	181,233.64 1.48%	44,535.77 0.36%	3,420,515.14 21.58%	19,965.94 0.13%	300,920.01 2.08%	103,501.46 0.55%
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	315.91 0.00%	- 0.00%	465.22 0.00%	- 0.00%	528.48 0.00%	17.62 0.00%
Receipts not itemized	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total Value (\$) of Inquiries		\$ 2,119,923.41 17.27%	\$ 318,934.87 2.56%	\$ 3,786,399.80 23.89%	\$ 1,228,003.72 8.13%	\$ 2,824,707.88 19.49%	\$ 4,765,096.71 25.33%
Total Claims Audited		\$ 12,275,690.30 100.00%	\$ 12,458,211.40 100.00%	\$ 15,848,004.36 100.00%	\$ 15,101,481.37 100.00%	\$ 14,491,278.22 100.00%	\$ 18,809,839.42 100.00%
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-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Incorrect accounts payable amount*	Amount adjusted prior to payment*	\$ (24,074.35) -0.20%	\$ (0.80) 0.00%	\$ (215.53) 0.00%	\$ (7,277.15) -0.05%	\$ (30,000.40) -0.21%	\$ 659.70 0.00%
Paid sales tax*	Amount adjusted prior to payment*	\$ - 0.00%	\$ - 0.00%	\$ (26.06) 0.00%	\$ (28.45) 0.00%	\$ (0.10) 0.00%	\$ - 0.00%
Total Claims Audited		\$ 12,251,615.95 100.00%	\$ 12,458,210.60 100.00%	\$ 15,847,762.77 100.00%	\$ 15,094,175.77 100.00%	\$ 14,461,277.72 100.00%	\$ 18,810,499.12 100.00%