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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Lauren M. Agunzo
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David M. Tellier

November 12, 2019

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 October 2019

Dear Ms. Kivi:

Enclosed please find a copy of our Claims Audit Report for October 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



November 12, 2019

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
October 1, 2019 through October 31, 2019***

Board of Education:

We have completed our claims auditing services to the East Ramapo Central School District covering the time period of October 1, 2019 through October 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
October 1, 2019 through October 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 October 1, 2019 through October 31, 2019 we have audited **518** claims against the District in the amount of **\$15,101,481.37** (See attached Exhibit I). We made inquiries and/or observations into **90** claims in the amount of **\$1,228,003.72**. 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 October 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
October 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
10/04/19	10/03/19	73	A	42	1,164,137.49	4	9,961.55	4	-	405903-405944
10/04/19	10/03/19	74	C	1	4,962.20	-	-	-	-	16347
10/04/19	10/03/19	76	F	35	438,034.74	4	201,098.67	4	-	52608-52642, Void
10/04/19	10/03/19	75	H	1	150,000.00	-	-	-	-	268
10/04/19	10/03/19	72	TA	1	1,560.00	-	-	-	-	36776
TOTAL				80	\$ 1,758,694.43	8	\$ 211,060.22	8	-	

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
10/11/19	10/10/19	79	A	1	3,536.33	1	3,536.33	1	-	405945
10/11/19	10/10/19	81	A	96	3,026,914.91	13	28,574.18	13	-	405946-406041
10/11/19	10/10/19	80	F	29	537,713.44	17	388,032.16	17	-	52643-52671
10/11/19	10/10/19	78	H	1	45,051.84	-	-	-	-	269
TOTAL				127	\$ 3,613,216.52	31	\$ 420,142.67	31	-	

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
10/18/19	10/17/19	83	A	84	327,910.26	5	17,231.24	5	-	406042-406125
10/18/19	10/17/19	86	A	23	1,231,888.06	-	-	-	-	406126-406148
10/18/19	10/17/19	84	C	5	56,622.95	-	-	-	-	16348-16352
10/18/19	10/17/19	85	F	47	772,223.51	9	85,295.00	9	-	52672-52718
10/18/19	10/17/19	82	H	6	668,621.20	-	-	-	-	270-275
TOTAL				165	\$ 3,057,265.98	14	\$ 102,526.24	14	-	

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
10/25/19	10/24/19	90	A	101	5,273,087.11	17	68,768.91	17	-	406149-406249
10/25/19	10/24/19	94	A	3	168,599.20	3	168,599.20	3	-	406250-406252
10/25/19	10/24/19	92	C	6	489,126.76	1	1,075.02	1	-	16353-16358
10/25/19	10/24/19	93	F	30	602,612.34	16	255,831.46	16	-	52719-52748
10/25/19	10/24/19	89	H	1	74,410.00	-	-	-	-	276
10/25/19	10/24/19	91	TA	5	64,469.03	-	-	-	-	36807-36811
TOTAL				146	\$ 6,672,304.44	37	\$ 494,274.59	37	-	

GRAND TOTAL				518	\$ 15,101,481.37	90	\$ 1,228,003.72	90	-	
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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
10/11/19	10/11/19	77	TA	43	2,151,650.14	-	-	-	-	36777-36790; Wires
10/22/19	10/22/19	87	TA	6	30,754.27	-	-	-	-	Wires
10/25/19	10/25/19	88	TA	46	2,236,025.86	-	-	-	-	36791-36806; Wires
TOTAL				95	\$ 4,418,430.27	-	-	-	-	

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%	- 0.00%	- 0.00%
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%	- 0.00%	- 0.00%
Incorrect remittance address	Address verified	3 0.75%	1 0.36%	1 0.07%	9 1.75%	- 0.00%	- 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	15 3.75%	22 7.97%	29 1.91%	64 12.43%	- 0.00%	- 0.00%
Invoice over 90 days outstanding	Verified not a duplicate payment	18 4.50%	8 2.90%	17 1.12%	12 2.33%	- 0.00%	- 0.00%
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%	- 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		41 10.25%	34 12.32%	53 3.49%	90 17.48%		
Total Claims Audited		400 100.00%	276 100.00%	1,517 100.00%	515 100.00%		
Total Outstanding Inquiries		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%	- 0.00%	- 0.00%
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%	- 0.00%	- 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%	- 0.00%	- 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%	- 0.00%	- 0.00%
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%	- 0.00%	- 0.00%
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%	- 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		\$ 2,119,923.41 17.27%	\$ 318,934.87 2.56%	\$ 3,786,399.80 23.89%	\$ 1,228,003.72 8.13%		
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%		
Total Outstanding Inquiries		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 inquires.
 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%		
Paid sales tax*	Amount adjusted prior to payment*	\$ - 0.00%	\$ - 0.00%	\$ (26.06) 0.00%	\$ (28.45) 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%		