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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

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October 8, 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 September 2019**

Dear Ms. Kivi:

Enclosed please find a copy of our Claims Audit Report for September 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*

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Darin V. Iacobelli, CPA

Enclosure



October 8, 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  
September 1, 2019 through September 30, 2019***

Board of Education:

We have completed our claims auditing services to the East Ramapo Central School District covering the time period of September 1, 2019 through September 30, 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  
September 1, 2019 through September 30, 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 September 1, 2019 through September 30, 2019 we have audited **1,517** claims against the District in the amount of **\$15,848,004.36** (See attached Exhibit I). We made inquiries and/or observations into **53** claims in the amount of **\$3,786,399.80**. 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 September 30, 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**  
**September 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
09/06/19	09/05/19	45	A	3	5,561.09	-	-	-	-	404491-404493
09/06/19	09/05/19	48	A	52	496,058.13	-	-	-	-	404494-404545
09/06/19	09/05/19	44	C	3	52,715.91	-	-	-	-	16341-16343
09/06/19	09/05/19	46	F	15	400,538.83	-	-	-	-	52527-52541
09/06/19	09/05/19	47	H	1	86,051.00	-	-	-	-	255
<b>TOTAL</b>				<b>74</b>	<b>\$ 1,040,924.96</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
09/13/19	09/12/19	49	A	63	132,653.95	10	21,148.65	10	-	404546-404608
09/13/19	09/12/19	53	A	1	47.50	-	-	-	-	404609
09/13/19	09/12/19	54	F	13	119,877.99	4	111,107.47	4	-	52542-52554
09/13/19	09/12/19	50	H	4	545,998.14	-	-	-	-	256-259
09/13/19	09/12/19	52	TA	2	245.00	-	-	-	-	36759-36760
<b>TOTAL</b>				<b>83</b>	<b>\$ 798,822.58</b>	<b>14</b>	<b>\$ 132,256.12</b>	<b>14</b>	<b>-</b>	<b>-</b>

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
09/20/19	09/19/19	56	A	3	3,291,993.73	1	3,266,269.43	1	-	404610-404612
09/20/19	09/19/19	60	A	89	4,080,169.22	14	229,777.91	14	-	404613-404701
09/30/19	09/19/19	63	A	1112	602,843.70	-	-	-	-	404702-405813
09/20/19	09/19/19	64	A	2	714,270.00	-	-	-	-	405814-405815
09/20/19	09/19/19	61	C	2	230.16	-	-	-	-	16344; Wire
09/20/19	09/19/19	62	F	20	650,151.34	6	102,109.50	6	-	52555-52574
09/20/19	09/19/19	57	TA	1	4,525.83	-	-	-	-	36761
<b>TOTAL</b>				<b>1229</b>	<b>\$ 9,344,183.98</b>	<b>21</b>	<b>\$ 3,598,156.84</b>	<b>21</b>	<b>-</b>	<b>-</b>

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
09/27/19	09/26/19	66	A	1	16,382.89	-	-	-	-	405816
09/27/19	09/26/19	68	A	86	2,355,235.26	6	23,239.61	6	-	405817-405902
09/27/19	09/26/19	65	C	2	61,632.39	-	-	-	-	16345-16346
09/27/19	09/26/19	71	F	33	375,882.95	12	32,747.23	12	-	52575-52607
09/27/19	09/26/19	69	H	8	1,854,904.35	-	-	-	-	260-267
09/27/19	09/26/19	67	TA	1	35.00	-	-	-	-	36762
<b>TOTAL</b>				<b>131</b>	<b>\$ 4,664,072.84</b>	<b>18</b>	<b>\$ 55,986.84</b>	<b>18</b>	<b>-</b>	<b>-</b>

<b>GRAND TOTAL</b>				<b>1517</b>	<b>\$ 15,848,004.36</b>	<b>53</b>	<b>\$ 3,786,399.80</b>	<b>53</b>	<b>-</b>	<b>-</b>
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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
09/13/19	09/13/19	51	TA	23	2,080,194.95	-	-	-	-	36751-36758; Wires
09/20/19	09/20/19	58	TA	5	6,525.57	-	-	-	-	Wires
09/20/19	09/20/19	59	TA	6	85,446.56	-	-	-	-	Wires
09/27/19	09/27/19	70	TA	28	2,180,882.61	-	-	-	-	36763-36775; Wires
<b>TOTAL</b>				<b>62</b>	<b>\$ 4,353,049.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

**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%
Incorrect accounts payable amount	Amount adjusted prior to payment	4	1.00%	2	0.72%	4	0.26%
Paid sales tax	Adjust next invoice	-	0.00%	1	0.36%	-	0.00%
Paid sales tax	Amount adjusted prior to payment	-	0.00%	-	0.00%	1	0.07%
Incorrect remittance address	Address verified	3	0.75%	1	0.36%	1	0.07%
Insufficient supporting documentation	n/a	-	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%
Invoice over 90 days outstanding	Verified not a duplicate payment	18	4.50%	8	2.90%	17	1.12%
Missing receiving or approval signature	n/a	-	0.00%	-	0.00%	-	0.00%
Not an original invoice or receipt	Copy or fax accepted	1	0.25%	-	0.00%	1	0.07%
Receipts not itemized	n/a	-	0.00%	-	0.00%	-	0.00%
<b>Total Number (#) of Inquiries</b>		<b>41</b>	<b>10.25%</b>	<b>34</b>	<b>12.32%</b>	<b>53</b>	<b>3.49%</b>
<b>Total Claims Audited</b>		<b>400</b>	<b>100.00%</b>	<b>276</b>	<b>100.00%</b>	<b>1,517</b>	<b>100.00%</b>
<b>Total Outstanding Inquiries</b>		<b>none</b>	<b>none</b>	<b>none</b>			

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%
Incorrect accounts payable amount*	Amount adjusted prior to payment*	133,979.01	1.09%	2,998.35	0.02%	17,065.84	0.11%
Paid sales tax	Adjust next invoice	-	0.00%	511.13	0.00%	-	0.00%
Paid sales tax*	Amount adjusted prior to payment*	-	0.00%	-	0.00%	340.88	0.00%
Incorrect remittance address	Address verified	2,554.80	0.02%	22,617.80	0.18%	10,468.00	0.07%
Insufficient supporting documentation	n/a	-	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%
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%
Missing receiving or approval signature	n/a	-	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%
Receipts not itemized	n/a	-	0.00%	-	0.00%	-	0.00%
<b>Total Value (\$) of Inquiries</b>		<b>\$ 2,119,923.41</b>	<b>17.27%</b>	<b>\$ 318,934.87</b>	<b>2.56%</b>	<b>\$ 3,786,399.80</b>	<b>23.89%</b>
<b>Total Claims Audited</b>		<b>\$ 12,275,690.30</b>	<b>100.00%</b>	<b>\$ 12,458,211.40</b>	<b>100.00%</b>	<b>\$ 15,848,004.36</b>	<b>100.00%</b>
<b>Total Outstanding Inquiries</b>		<b>none</b>	<b>none</b>	<b>none</b>			

\* 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 inquires.

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%
Paid sales tax*	Amount adjusted prior to payment*	\$ -	0.00%	\$ -	0.00%	\$ (26.06)	0.00%
<b>Total Claims Audited</b>		<b>\$ 12,251,615.95</b>	<b>100.00%</b>	<b>\$ 12,458,210.60</b>	<b>100.00%</b>	<b>\$ 15,847,762.77</b>	<b>100.00%</b>