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October 4, 2022

To the President and Members
of the Board of Education of the
South Orangetown Central School District
160 Van Wyck Road
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We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of South Orangetown Central School District for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 20, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by South Orangetown Central School District are described in Note 1 to the financial statements. New accounting policies associated with GASB Statement 87, *Leases*, Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, Statement 92, *Omnibus 2022*, and GASB Statement 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statements No. 32*, were adopted and the application of existing policies was not changed during the year June 30, 2022. We noted no transactions entered into by South Orangetown Central School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the South Orangetown Central School District's financial statements were:

Management's estimates of Other Postemployment Benefits based on actuarial assumptions and depreciation of fixed assets based on estimated useful lives. We evaluated the key factors and assumptions used to develop those estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the annual pension costs and its proportionate share of related net pension assets, deferred outflows, net pension liabilities and deferred inflows which are based on information provided by New York State Employees' Retirement System (ERS) and the New

York State Teachers' Retirement System (TRS) and other relevant data provided to independent actuarial firms hired by the retirement systems. We evaluated the key factors and assumptions used by the retirement systems to develop the annual pension costs and the District's proportionate share of related net pension assets, deferred outflows, net pension liabilities and deferred inflows in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of right to use assets, lease liabilities, leases receivable, and deferred lease revenues are based on estimated discount rates. We evaluated the key factors and assumptions used to develop those estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 4, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to South Orangetown Central School District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as South Orangetown Central School District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

During our fieldwork for the audit, we found that the District's books and records were in much better condition than the previous year; however, they were not closed prior to commencement of our fieldwork. We were required to spend additional time assisting the District with the closing process. To ensure that the District's books and records are closed, we recommend that the District develop a year-end plan that assigns responsibility for account reconciliation, analysis, oversight and approval.

Other Matters

We applied certain limited procedures to Schedule of Changes in The District's Total OPEB Liability and Related Ratio's and the Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget to Actual – General Fund, the Schedule of the District's Proportionate Share of the Net Pension Liability and the Schedule of District Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Change from Adopted Budget to Final Budget and the Real Property Tax Limit – General Fund, the Schedule of Capital Projects Fund – Project Expenditures and Financing Sources, the Net Investment in Capital Assets, or the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Education and management of South Orangetown Central School District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



NUGENT & HAEUSSLER, P.C.