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October 2, 2018

To the Board of Education Syosset Central School District Syosset, New York

Dear Members of the Board:

In planning and performing our audit of the financial statements of the Syosset Central School District (District) as of and for the year ended June 30, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

During our audit, we noted certain opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions. This letter does not affect our report dated October 2, 2018, on the financial statements of the Syosset Central School District.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various District personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of the Board of Education, Audit Committee, management, others you deem appropriate within the District, and any governmental authorities you need to share this information with. It is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Cullen & Danowski, LLP

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Food Service Fund Balance

The District's food service program serves meals to students and District employees. Except for free and reduced priced meals that are served to eligible students, meals are sold at a set price. Federal Regulation, 7CFR Part 210.14b, limits the net cash resources within the food service fund to an amount that does not exceed three months average expenditures.

During our prior and current year audits, we noted that the food service fund's fund balance was in excess of three month's average expenditures. During 2018 the fund balance increased approximately \$3,000.

We note that the District continues to monitor its food service fund balance in order to be in compliance with Federal Regulation, 7CFR Part 210.14b, and plans to use available funds for program enhancements.

Extraclassroom Activity Funds

The extraclassroom activity funds are the depository of student money. The New York State Education Department (SED) publishes the *Safeguarding, Accounting and Auditing of Extraclassroom Activity Funds*. These guidelines recommend procedures for organizing these activities, controlling receipts and disbursements, as well as recording and reporting transactions.

During our prior year audit, we noted that:

- The extraclassroom accounting records for one of the buildings did not account for the individual activity and club transactions during the year.
- The Board of Education receives cash balance information for the extraclassroom activity funds. Nevertheless, the record of receipts and expenditures at the club and activity level, as recommended by the SED is not communicated by the extraclassroom activity fund treasurers to the Board of Education.

During our current year audit, we noted that:

- The extraclassroom accounting records at all buildings now account for individual activity and club transactions for the entire year.
- The District began including a summary of receipts and expenditures by club and activity with the cash balance information report for the Board of Education on a quarterly basis.
- There were three clubs that ended the year with a negative balance.

We recommend that the District's club advisor determine the funding for the negative balance.
