



Chappaqua Central School District

Joshua Culwell-Block
Assistant Superintendent for Business

Christine Ackerman Ph.D.
Superintendent of Schools

**To: Board of Education
Dr. Christine Ackerman**

Date: September 29, 2025

From: Joshua Culwell-Block & Jose Guevara

Re: Management Response to External Audit Management Letter for 2024-25 Audit

This letter serves as the Management's response and corrective action plan to the recommendations found in the Management Letter prepared by PKF O'Connor Davies, the District's External Auditors, as part of their responsibilities for the 2024-2025 fiscal year. The Auditor's recommendations are noted below, followed by Management's Response

Special Purpose Fund (EA2425-1)

Recommendation: The Special Purpose Fund is used to account for assets held by the School District in accordance with grantor or contributor stipulations. The School District holds assets for various memorial/scholarship funds in the Special Purpose Fund. During our audit, it was noted that seven of these accounts had no activity for the year. We recommend that the School District determine if these funds need to remain open, or if they should be closed and monies moved to other scholarship/memorial accounts or to the General Fund for any lawful purpose.

Corrective Action: The business office will review inactive accounts in the special purpose fund at least once a year. When appropriate, accounts will be closed, and the remaining funds moved to other scholarship/memorial accounts or to the General Fund for any lawful purpose.

Responsible person(s): Assistant Superintendent for Business and District Treasurer

Anticipated completion date: 6/30/26

Special Aid Fund (EA2425-2)

Recommendation: The School District participates in the State's summer program for handicapped pupils. The State funds eighty percent of this program and the balance is funded by the General Fund. The State has mandated that all revenues and expenditures related to this program be accounted for in the Special Aid Fund. During our audit, we noted that receivable balances over one year old approximate \$273,000 (covering the summer 2022 and 2023 programs). The School District should continue its efforts to collect the outstanding receivable balances. If it is determined that collectability is not likely (as the State may disallow certain claimed costs), a Board of Education resolution should be obtained to write off these uncollectible amounts and therefore, the General Fund would need to transfer funds to the Special Aid Fund to fund these unpaid New York State receivables.

Corrective Action: The business will follow up with New York State on all funds that may be owed to the Special Aid Fund.

Responsible person(s): Assistant Superintendent for Business and District Treasurer

Anticipated completion date: 1/30/26

Chappaqua Central School District

Cash Receipts (EA2425-3)

Recommendation: The School District does not formally document the date checks are received. We are therefore unable to determine if deposits are made in a timely manner in accordance with best practices promulgated by the New York State Comptroller's Office. We recommend that the School District look into ways to ensure that these checks are delivered to the appropriate mailboxes to ensure timely deposit of funds and lower the risk of misappropriation.

Corrective Action: The business office timestamps in all cash receipts to ensure timely deposit. The district will develop a more formal process for tracking cash receipts in extraclassroom activities and food services. The District will also further rely upon digital payments to lower the amount of checks being deposited.

Responsible person(s): Assistant Superintendent for Business and District Treasurer

Anticipated completion date: 10/30/25

Extraclassroom Activity Funds (EA2526-4)

Recommendation: During our testing, we noted that a deposit in the High School Orchestra Club account was not made timely. Due to the checks being erroneously placed in the wrong mailbox at the high school, the deposit was not made within 3 business days of receipt. Delays in deposit timeliness can increase the risk of misplacement and misappropriation. The School District should develop policies and procedures to ensure that checks and cash received are documented in a manner to ensure timely.

Corrective Action: The business office will further centralize the collection of checks at each building. This will prevent checks being placed in the wrong location for timely deposits. The District will also further rely upon digital payments to lower the amount of checks being deposited.

Responsible person(s): Assistant Superintendent for Business and District Treasurer

Anticipated completion date: 10/30/25

Sincerely,



Joshua Culwell-Block
Assistant Superintendent for Business



Jose Guevara
District Treasurer

CC: Audit Committee

