PELHAM UNION FREE SCHOOL DISTRICT
Corrective Action Plan Related to
COMMUNICATION OF INTERNAL CONTROLS OVER FINANCIAL REPORTING
June 30, 2025

In the course of planning and performing their audit of the financial statements of the Pelham Union Free School District as of and for the year ended June 30, 2025, PKF O'Connor Davies our external auditor, made the following observations about the internal controls and operations, none of which was considered a material weakness. The District's action plan in response to each deficiency is noted.

EXTRACLASSROOM ACTIVITIES

FINDING: Timeliness of Deposits

We noted that four receipts we selected for audit from the Middle School were not deposited in a timely manner.

Recommendation

We recommend the extraclassroom activity treasurers deposit cash within three business days, or 72 hours, of receipt. This practice will firmly strengthen the internal control process over cash receipts and greatly lessen the likelihood that cash could be lost or stolen before being deposited in the bank.

Action Plan

The District will reiterate this requirement with the Middle School Treasurer to reinforce the need to comply with this requirement. In some rare cases, this practice is impractical due to student and teacher scheduling coordination and school schedule.

Implementation Date

Fall 2025

Person(s) Responsible

Jim Hricay, Assistant Superintendent for Business
Jennifer Kitay, MS Extracurricular Activity Treasurer

FINDING: Old Outstanding Checks Over 1 Year Old

We noted one old outstanding check in the Middle School of $299. Tracking outstanding checks is an important control procedure that ensures all outgoing checks are accounted for.

Recommendation

We recommend the School District follow up on this outstanding check by either re-issuing it or writing it off if no longer valid.

Action Plan

This finding will be shared with the Middle School Treasurer and District administration will follow up on implementation.

Implementation Date

Fall 2025

Person(s) Responsible

Jim Hricay, Assistant Superintendent for Business
Jennifer Kitay, MS Extracurricular Activity Treasurer

***FINDING:* Inactive Clubs**

We noted that seventeen clubs at the High School, with aggregate ending balances of approximately $4,500, had no financial activity during the current year. State Education Department regulations provide that the funds of a discontinued activity shall automatically revert to the account of the general student organization or to the student council and shall be expended in accordance with that organization's constitution.

Recommendation

We recommend the School District check the validity of clubs with no activity during the year and consider closing any, as necessary. If the clubs have ceased operations, the balances should be transferred to the general student organization or to the student council, per State Education Department guidelines.

Action Plan

This finding will be shared with the High School Advisor and Treasurer and District administration will follow up on implementation. The High School principal and the Central Treasurer review club activity at year end. Typically, a few clubs are closed annually with any remaining fund balances transferred to the general Student Association in accordance with Board of Education policy. Certain clubs remain operationally active while having no financial activity. In such cases, the club fund balance can carryforward without change to ensuing years.

Implementation Date

Fall 2025

Person(s) Responsible

Jim Hricay, Assistant Superintendent for Business
Liane Livigni, HS Student Association Treasurer
Sean Llewellyn, HS Principal