MIDDLE COUNTRY CENTRAL SCHOOL DISTRICT
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MEMO

TO: Roberta A. Gerold – Superintendent of Schools

FROM: Beth Rella

DATE: October 30, 2026

RE: 2025-26 External Audit - Corrective Action Plan

We are in receipt of the management letter recommendation from our external auditors, R.S. Abrams & Company, LLP. I am extremely pleased to report that they found no material weaknesses in our internal controls and made only one comment/recommendation.

Year-End Accrual Entries – Capital Projects Fund

During our current year audit, we noted two instances of improper cut-off transactions between fiscal years in the accounting records, which resulted in adjusting entries being needed for accounts payable in the capital projects fund.

We recommend that the district develop/refine a process and implement procedures to review transactions and supporting documentation during the year-end closing process to determine the period of applicability and accurately record year-end accrual balances. We acknowledge the District understands the necessary changes to be made and has started to implement these changes in the fiscal year ended June 30, 2027.

District Response

The district has reviewed the recommendation and has taken the steps to ensure the Capital fund PO review is part of the year-end review similar to the other funds. This review process will begin on June 30th, 2027. All opens PO's in the Capital Fund will be reviewed to determine if the work was completed by June 30th or after. If the work was completed prior to June 30th, the PO will be an accounts payable. If not, it will be recorded as an encumbrance.