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Robert S. Abrams (1926–2014)

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October 14, 2022

To the Board of Education,
Mr. Marco Pochintesta, Superintendent, and
Ms. Ann Marie Tromer,
Assistant Superintendent for Business
Pearl River Union Free School District
135 West Crooked Hill Road
Pearl River, New York 10965

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the fiduciary fund of the Pearl River Union Free School District (the "District") as of and for the fiscal year ended June 30, 2022, 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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal controls was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal controls that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

However, during our audit, we became aware of a matter that we believe represents an opportunity for strengthening internal controls and operating efficiency. The recommendation that accompanies this letter summarizes our comments and suggestions concerning this matter. We have also included the status of prior year findings and recommendations.

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CURRENT YEAR FINDING AND RECOMMENDATION

EXTRA CLASSROOM ACCOUNTS

During our current year audit of the District's extra classroom activity accounts, we noted the following:

- Four out of 20 receipts tested had a time lag between date of collection and date of deposit of greater than two weeks.
- Five of 20 disbursements tested were not stamped paid and did not include evidence of claims auditor approval .

We recommended the District review the extra classroom procedures and internal controls to address the items noted above.

STATUS OF PRIOR YEAR RECOMMENDATIONS

SCHOOL LUNCH

FINDING: During our prior year audit, we noted the school lunch fund balance exceeded the three-month average expenditure level allowable by federal regulations 7CFR Part 210.14(b) by approximately \$147,000. We recommended the District take necessary steps to utilize the excess portion of school lunch fund balance in the upcoming fiscal year.

STATUS: **Implemented.**

EXTRA CLASSROOM ACCOUNTS

FINDING: During our prior year audit of the District's extra classroom activity accounts we noted the following:

- Proper documentation and/or approvals were lacking for some of the receipts and disbursements.

We recommended the District review the extra classroom procedures and internal controls to address the items noted above.

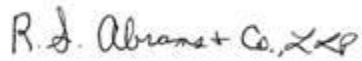
STATUS: **Partially Implemented.**

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We would like to acknowledge the courtesy and assistance extended to us by personnel of the District. Should you have any questions concerning the matters referred to in this letter, we shall be pleased to discuss them with you, at your convenience.

This communication is intended solely for the information and use of the Board of Education, the audit committee, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in dark ink that reads "R.S. Abrams & Co., LLP". The signature is written in a cursive, slightly stylized font.

R.S. Abrams & Co., LLP
Islandia, New York
October 14, 2022



Pearl River School District

Ann Marie Tromer
Assistant Superintendent for Business
135 West Crooked Hill Road
Pearl River, New York 10965-2730
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Phone: 845-620-3999

October 14, 2022

Ms. Alexandria Battaglia
R. S. Abrams & Co., LLP
3033 Express Drive North, Suite 100
Islandia, NY 11749

Dear Ali,

The Board of Education and the District's Administration extend a thank you to you and the R.S. Abrams team for the time and effort devoted to the audit of the Pearl River School District Financial Statements and the Extraclassroom Activity Fund Financial Statements. We accept your comments based on your review of our internal controls as documented in your Management Letter dated October 14, 2022.

Please accept this document as our Audit Response and Corrective Action Plan.

Extraclassroom Activity Funds:

R.S. Abrams Finding: The Auditors noted the following with regards to the District's extra classroom activity accounts:

- Four out of 20 receipts tested had a time lag between date of collection and date of deposit of greater than two weeks.
- Five of 20 disbursements tested were not stamped paid and did not include evidence of claims auditor approval.

R.S. Abrams Recommendation: We recommend the District review the Extraclassroom procedures and internal controls to address the items noted above.

District Response: The four receipts which had a greater than two-week deposit lag all related to the PRHS 2021 Disney trip. Checks were collected at the HS and not sent to the Business Office for deposit in a timely manner. At all times, the checks were stored in a locked and secured safe at the HS. We have corrected this issue for the 2022-23 fiscal year by requiring all Disney payments to be made electronically via MySchoolBucks. Therefore, this issue has already been resolved beginning July 2022.

With regard to the 5 disbursements tested that were not stamped paid, the District purchased an official 'Paid' stamp during the 2021-22 School Year and all future disbursements were stamped paid. Therefore, this issue has already been resolved prior to July 2022.

In response to the Extraclassroom Activity Fund disbursements not having evidence of claims auditor approval, the District will work with the Board of Education to update policy to reflect plans to either change past practice whereby the District Claims Auditor was not contracted to review and approved Extraclassroom Activity Fund disbursements or plan to budget for this additional expenditure in the 2023-24 School Year. This work will be completed by December 31, 2022.

Thank you.

A handwritten signature in blue ink, reading "Ann Marie Tromer". The signature is written in a cursive, flowing style.

Ann Marie Tromer