

October 12, 2021

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, 2021, 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

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 other matters that we believe represent opportunities for strengthening internal controls and operating efficiency. The recommendations that accompany this letter summarize our comments and suggestions concerning these matters. We have also included the status of prior year findings and recommendations.

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STATUS: Partially implemented, see current year findings.

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,

R S Abrams + Co., LLP

R.S. Abrams & Co., LLP
Islandia, New York
October 12, 2021

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

SCHOOL LUNCH

During our 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.

EXTRA CLASSROOM ACCOUNTS

During our 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 recommend 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 that cashiers did not perform a dual count of cash collected in their registers. We recommended that cashiers perform a dual count and both cashiers properly document their counts via a sign off on the deposit slip.

STATUS: Implemented.

EXTRA CLASSROOM ACCOUNTS

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

- 3 out of 20 disbursements sales tax was not paid.
- Club charters were not uniformly being prepared for each student club.
- 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.



Pearl River School District

Ann Marie Tromer
Assistant Superintendent for Business
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October 12, 2021

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 12, 2021.

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

School Lunch:

R.S. Abrams Finding: During the 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.

District Response: The District is aware of the excess school lunch fund balance and had plans to purchase equipment for the cafeterias. However, due to the COVID pandemic, these plans have been put on hold. Due to social distancing requirements during lunch, the schools serve lunch differently now than pre-pandemic times. We will work with each school principal during the current school year to plan appropriate equipment purchases. The process of purchasing the equipment will start in early 2022 and the plan is to have everything installed during the Summer of 2022.

Extraclassroom Activity Funds:

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

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

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

District Response: The District transferred the High School Extraclassroom Treasurer position to a HS Teacher Stipend position in March 2020. It has been a learning process with the new treasurer and all the Advisors and student club members. The COVID pandemic has also slowed down this learning process as many clubs did not have much activity when schools were shut down. We will continue to offer additional training on our Policies and Procedures. This training will ensure the Treasurer and all Advisors are only conducting appropriate activities as recommended by NYS Department of Education. Club Advisors for the 2021-22 School Year have been and/or will be trained before receiving their Club Binder for the 2021-22 School Year. This training process will be complete by December 2021.

Thank you.



Ann Marie Tromer