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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Lauren M. Agunzo
John K. Hoffman
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David M. Tellier

March 6, 2020

VIA EMAIL

Ms. Kathi Kivi
District Clerk
East Ramapo Central School District
105 South Madison Avenue
Spring Valley, NY 10977

Re: Claims Audit Report for February 2020

Dear Ms. Kivi:

Enclosed please find a copy of our Claims Audit Report for February 2020. Please distribute a copy to the Assistant Superintendent for Finance and distribute a copy to each of the Board members of the East Ramapo Central School District.

Thank you for your assistance in this matter.

Sincerely yours,

Darin V. Iacobelli

Darin V. Iacobelli, CPA

Enclosure



CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

March 6, 2020

VIA EMAIL

Board of Education
East Ramapo Central School District
105 South Madison Avenue
Spring Valley, NY 10977

***Re: Claims Audit Report for the Month of
February 1, 2020 through February 29, 2020***

Board of Education:

We have completed our claims auditing services to the East Ramapo Central School District covering the time period of February 1, 2020 through February 29, 2020. The services we performed, as outlined within our proposal, include reviewing all claims against the District. The purpose of this report is to update the Board of Education on work performed to date, our findings, and recommendations.

For ease of reference we have categorized the remainder of this report as follow:

Claims Audit Services

Exhibits

CLAIMS AUDIT SERVICES

The claims audit services performed on each claim against the District consisted of:

1. Verification of the accuracy of invoices and claim forms.
2. Ensuring proper approval of all purchases; checking that purchases constitute legal expenses of the school district.
3. Determining that purchase orders have been issued in accordance with Board of Education policy, and applicable state law.

*Board of Education
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*Re: Claims Audit Report for the Month of
February 1, 2020 through February 29, 2020*

4. Comparison of invoices or claims with previously approved contracts.
5. Reviewing price extensions, claiming of applicable discounts, inclusion of shipping and freight charges.
6. Approving all charges that are presented for payment which are supported with documentary evidence indicating compliance with all pertinent laws, policies and regulations.

Over the time period of February 1, 2020 through February 29, 2020 we have audited **576** claims against the District in the amount of **\$14,308,953.86** (See attached Exhibit I). We made inquiries and/or observations into **46** claims in the amount of **\$716,696.91**. It should be noted that currently, there are no outstanding inquiries in regard to the audit of claims made against the District for the period of July 1, 2019 through February 29, 2020. We have summarized the inquiries and/or observations as well as the resolutions within Exhibit II.

Please note that for comparative purposes, we have attached Exhibit II – “Summary of Inquiries/Resolutions” for each of the prior months, if applicable.



We trust that the foregoing comments are clear. If you have any questions or you would like to discuss this matter further, please contact me at 631-756-9500.

Very truly yours,

Nawrocki Smith LLP

Claims Audit By Fund
East Ramapo Central School District
Exhibit I
February 2020

Legend:	
A - General	H - Capital
C - School Lunch	TA - Trust & Agency
F - Special Aid	CM - Scholarship

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
02/07/20	02/06/20	171	A	18	51,401.20	1	5,200.80	1	-	408684-408701
02/07/20	02/06/20	172	A	104	645,935.59	6	9,819.29	6	-	408702-408805
02/07/20	02/06/20	173	A	15	989,262.92	-	-	-	-	408806-408820
02/07/20	02/06/20	174	F	46	1,118,341.83	19	588,694.31	19	-	53055-53100
02/07/20	02/06/20	170	H	5	23,314.06	-	-	-	-	321-325
TOTAL				188	\$ 2,828,255.60	26	\$ 603,714.40	26	-	

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
02/14/20	02/13/20	176	A	11	2,858,322.91	-	-	-	-	408821-408831
02/14/20	02/13/20	179	A	48	99,266.80	-	-	-	-	408832-408879
02/14/20	02/13/20	180	A	84	782,954.39	5	38,314.84	5	-	408880-408963
02/14/20	02/13/20	177	C	2	1,853.10	1	364.50	1	-	16388-16389
02/14/20	02/13/20	181	F	30	449,151.62	2	14,432.00	2	-	53101-53130
02/14/20	02/13/20	182	H	10	344,296.04	-	-	-	-	326-335
TOTAL				185	\$ 4,535,844.86	8	\$ 53,111.34	8	-	

Check Date	Audit Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
02/21/20	02/27/20	183	A	2	17,475.54	-	-	-	-	408964-408965
02/28/20	02/27/20	185	A	21	49,539.10	-	-	-	-	408966-408986
02/28/20	02/27/20	191	A	10	514,621.26	-	-	-	-	408987-408996
02/28/20	02/27/20	192	A	115	5,153,103.58	7	21,202.14	7	-	408997-409111
02/28/20	02/27/20	187	C	2	2,627.21	-	-	-	-	16390-16391
02/28/20	02/27/20	190	F	41	1,137,468.09	4	33,665.75	4	-	53131-53171
02/28/20	02/27/20	188	H	1	2,352.89	-	-	-	-	336
02/28/20	02/27/20	184	TA	10	67,165.73	1	5,003.28	1	-	36977-36986
02/28/20	02/27/20	186	CM	1	500.00	-	-	-	-	2635
TOTAL				203	\$ 6,944,853.40	12	\$ 59,871.17	12	-	

GRAND TOTAL				576	\$ 14,308,953.86	46	\$ 716,696.91	46	-	
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*Payroll Warrants are included for informational purposes only and have not been reviewed.

Check Date	Payroll Run Date	Warrant #	Fund	# of Checks	\$ Value of Checks	# of Inquiries	\$ Value of Inquiries	# of Resolved Inquiries	# of Outstanding Inquiries	Check Sequence
02/11/20	02/11/20	175	TA	5	44,764.38	-	-	-	-	Wires
02/14/20	02/14/20	178	TA	47	2,167,563.00	-	-	-	-	36960-36976; Wires
02/28/20	02/28/20	189	TA	47	2,178,885.23	-	-	-	-	36987-37004; Wires
TOTAL				99	\$ 4,391,212.61	-	-	-	-	

East Ramapo Central School District
Claims Audit - Analysis by Number of Inquiries & Dollar Value
Summary of Inquiries / Resolutions and Percentage of Total Claims & Dollar Value of Claims
Exhibit II
2019 / 2020 YTD

Reason For Inquiry	Resolution	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Incorrect accounts payable amount	Adjust next invoice	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Incorrect accounts payable amount	Amount adjusted prior to payment	4 1.00%	2 0.72%	4 0.26%	4 0.78%	2 0.36%	3 0.18%
Paid sales tax	Adjust next invoice	- 0.00%	1 0.36%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Paid sales tax	Amount adjusted prior to payment	- 0.00%	- 0.00%	1 0.07%	1 0.19%	1 0.18%	- 0.00%
Incorrect remittance address	Address verified	3 0.75%	1 0.36%	1 0.07%	9 1.75%	8 1.46%	1 0.06%
Insufficient supporting documentation	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Invoice date precedes purchase order date	Noted by Business Office	15 3.75%	22 7.97%	29 1.91%	64 12.43%	50 9.11%	28 1.71%
Invoice over 90 days outstanding	Verified not a duplicate payment	18 4.50%	8 2.90%	17 1.12%	12 2.33%	19 3.46%	6 0.37%
Missing receiving or approval signature	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Not an original invoice or receipt	Copy or fax accepted	1 0.25%	- 0.00%	1 0.07%	- 0.00%	1 0.18%	1 0.06%
Receipts not itemized	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total Number (#) of Inquiries		41 10.25%	34 12.32%	53 3.49%	90 17.48%	81 14.75%	39 2.38%
Total Claims Audited		400 100.00%	276 100.00%	1,517 100.00%	515 100.00%	549 100.00%	1,639 100.00%
Total Outstanding Inquiries		none	none	none	none	none	none

Reason For Inquiry	Resolution	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Incorrect accounts payable amount	Adjust next invoice	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Incorrect accounts payable amount*	Amount adjusted prior to payment*	133,979.01 1.09%	2,998.35 0.02%	17,065.84 0.11%	154,758.97 1.02%	312,950.57 2.16%	7,663.08 0.04%
Paid sales tax	Adjust next invoice	- 0.00%	511.13 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Paid sales tax*	Amount adjusted prior to payment*	- 0.00%	- 0.00%	340.88 0.00%	339.67 0.00%	3,223.33 0.02%	- 0.00%
Incorrect remittance address	Address verified	2,554.80 0.02%	22,617.80 0.18%	10,468.00 0.07%	13,142.84 0.09%	123,695.20 0.85%	313.36 0.00%
Insufficient supporting documentation	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Invoice date precedes purchase order date	Noted by Business Office	1,801,840.05 14.68%	248,271.82 1.99%	337,544.72 2.13%	1,039,796.30 6.89%	2,083,390.29 14.38%	4,653,601.19 24.74%
Invoice over 90 days outstanding	Verified not a duplicate payment	181,233.64 1.48%	44,535.77 0.36%	3,420,515.14 21.58%	19,965.94 0.13%	300,920.01 2.08%	103,501.46 0.55%
Missing receiving or approval signature	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Not an original invoice or receipt	Copy or fax accepted	315.91 0.00%	- 0.00%	465.22 0.00%	- 0.00%	528.48 0.00%	17.62 0.00%
Receipts not itemized	n/a	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total Value (\$) of Inquiries		\$ 2,119,923.41 17.27%	\$ 318,934.87 2.56%	\$ 3,786,399.80 23.89%	\$ 1,228,003.72 8.13%	\$ 2,824,707.88 19.49%	\$ 4,765,096.71 25.33%
Total Claims Audited		\$ 12,275,690.30 100.00%	\$ 12,458,211.40 100.00%	\$ 15,848,004.36 100.00%	\$ 15,101,481.37 100.00%	\$ 14,491,278.22 100.00%	\$ 18,809,839.42 100.00%
Total Outstanding Inquiries		none	none	none	none	none	none

* Note: Inquiry Amounts for each month reflect the entire check amounts associated with each incorrect accounts payable amount and paid sales tax inquires.
The table below reflects each month's actual net adjustment for incorrect accounts payable amount and paid sales tax inquiries.

Reason For Inquiry	Resolution	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Incorrect accounts payable amount*	Amount adjusted prior to payment*	\$ (24,074.35) -0.20%	\$ (0.80) 0.00%	\$ (215.53) 0.00%	\$ (7,277.15) -0.05%	\$ (30,000.40) -0.21%	\$ 659.70 0.00%
Paid sales tax*	Amount adjusted prior to payment*	\$ - 0.00%	\$ - 0.00%	\$ (26.06) 0.00%	\$ (28.45) 0.00%	\$ (0.10) 0.00%	\$ - 0.00%
Total Claims Audited		\$ 12,251,615.95 100.00%	\$ 12,458,210.60 100.00%	\$ 15,847,762.77 100.00%	\$ 15,094,175.77 100.00%	\$ 14,461,277.72 100.00%	\$ 18,810,499.12 100.00%

East Ramapo Central School District
 Claims Audit - Analysis by Number of Inquiries & Dollar Value
 Summary of Inquiries / Resolutions and Percentage of Total Claims & Dollar Value of Claims
 Exhibit II
 2019 / 2020 YTD

Reason For Inquiry	Resolution	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Incorrect accounts payable amount	Adjust next invoice	- 0.00%	- 0.00%				
Incorrect accounts payable amount	Amount adjusted prior to payment	3 0.46%	2 0.35%				
Paid sales tax	Adjust next invoice	- 0.00%	- 0.00%				
Paid sales tax	Amount adjusted prior to payment	1 0.15%	- 0.00%				
Incorrect remittance address	Address verified	2 0.31%	3 0.52%				
Insufficient supporting documentation	n/a	- 0.00%	- 0.00%				
Invoice date precedes purchase order date	Noted by Business Office	35 5.40%	31 5.38%				
Invoice over 90 days outstanding	Verified not a duplicate payment	15 2.31%	10 1.74%				
Missing receiving or approval signature	n/a	- 0.00%	- 0.00%				
Not an original invoice or receipt	Copy or fax accepted	1 0.15%	- 0.00%				
Receipts not itemized	Noted by Business Office	2 0.31%	- 0.00%				
Total Number (#) of Inquiries		59 9.10%	46 7.99%				
Total Claims Audited		648 100.00%	576 100.00%				
Total Outstanding Inquiries		none	none				

Reason For Inquiry	Resolution	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Incorrect accounts payable amount	Adjust next invoice	- 0.00%	- 0.00%				
Incorrect accounts payable amount*	Amount adjusted prior to payment*	19,986.28 0.12%	5,208.41 0.04%				
Paid sales tax	Adjust next invoice	- 0.00%	- 0.00%				
Paid sales tax*	Amount adjusted prior to payment*	301.17 0.00%	- 0.00%				
Incorrect remittance address	Address verified	19,818.34 0.12%	3,155.50 0.02%				
Insufficient supporting documentation	n/a	- 0.00%	- 0.00%				
Invoice date precedes purchase order date	Noted by Business Office	2,395,068.57 14.98%	607,790.38 4.25%				
Invoice over 90 days outstanding	Verified not a duplicate payment	16,112.96 0.10%	100,542.62 0.70%				
Missing receiving or approval signature	n/a	- 0.00%	- 0.00%				
Not an original invoice or receipt	Copy or fax accepted	1,636.36 0.01%	- 0.00%				
Receipts not itemized	Noted by Business Office	639.45 0.00%	- 0.00%				
Total Value (\$) of Inquiries		\$ 2,453,563.13 15.34%	\$ 716,696.91 5.01%				
Total Claims Audited		\$ 15,989,693.05 100.00%	\$ 14,308,953.86 100.00%				
Total Outstanding Inquiries		none	none				

* Note: Inquiry Amounts for each month reflect the entire check amounts associated with each incorrect accounts payable amount and paid sales tax inquiries.
 The table below reflects each month's actual net adjustment for incorrect accounts payable amount and paid sales tax inquiries.

Reason For Inquiry	Resolution	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Incorrect accounts payable amount*	Amount adjusted prior to payment*	\$ 13,850.10 0.09%	\$ 0.74 0.00%				
Paid sales tax*	Amount adjusted prior to payment*	\$ (1.33) 0.00%	\$ - 0.00%				
Total Claims Audited		\$ 16,003,541.82 100.00%	\$ 14,308,954.60 100.00%				