

September 10, 2024

Nugent & Haeussler, P.C.
101 Bracken Road
Montgomery, NY 12549

To Whom It May Concern:

This letter is in response to the Procedures, Findings and Recommendations report issued to the Dobbs Ferry Union Free School District (the District) for the internal audit of Extraclassroom Activity Funds for the period July 1, 2023 through April 24, 2024:

1. Recommendation (Policy Review)

During our review of District policies related to Extraclassroom Activity Funds, it was noted that some of the policies have not been reviewed or updated for many years.

We recommend that all of the District's Extraclassroom Activity Funds related policies be reviewed on an annual basis and updated where necessary. We recommend that policy reflect the procedures described in "The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds" pamphlet provided by the New York State Education Department.

Response

The Assistant Superintendent for Finance will coordinate with the Superintendent and the Board of Education Policy Committee to update the policies related to Extraclassroom Activity Funds by December 21, 2024 and implement a process for the annual review of the same.

2. Recommendation (Sales Tax)

During our review of the Extraclassroom Activity Funds, we found that the district does not have a separate "Certificate of Authority" for the Extraclassroom Activity Funds.

We recommend that the district apply for a separate "Certificate of Authority" for the Extraclassroom Activity Funds.

Response

The Assistant Superintendent for Finance will work with the District Treasurer to apply for a separate "Certificate of Authority" for the Extraclassroom Activity Funds by December 31, 2024.

Middle School

1. Recommendation (Cash Receipts #1)

During our review of cash receipts, we found that bank deposits were made without formal documentation of the approval of the acceptance of funds by the student officer of that specific club.

We recommend that a deposit receipt form be used that includes the student officer approval for all cash receipts as described in “The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds” pamphlet provided by the New York State Education Department.

Response

The Assistant Superintendent for Finance will implement a process for student officers to utilize a deposit receipt form for all cash receipts as described in “The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds” pamphlet provided by the New York State Education Department. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

2. Recommendation (Cash Receipts #2)

During our review of cash receipts, we found instances in which funds were held for long periods of time before they were deposited into the bank.

We recommend that all funds received by each club be remitted to the Central Treasurer and deposited into the bank on a timely basis. The recommended time is within 72 hours of receiving the funds.

Response

The Assistant Superintendent for Finance will implement a process for training student officers and faculty advisors on the procedures for depositing funds within 72 hours of receipt. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

3. Recommendation (Profit and Loss Statements)

During our review of fundraising activities to ensure profit and loss statements are being filled out for each individual fundraiser, we found that there were receipts for fundraising activities that did not have a profit and loss statement attached.

We recommend a profit and loss statement be prepared and attached to all cash receipts for fundraising activities.

Pursuant to Commissioner’s Regulation §170.12(e)(4)(i), we do not consider this recommendation and/or suggestion to be a finding or require a corrective action plan.

Response

Although no corrective action plan is required, we agree this is a best practice, therefore the Assistant Superintendent for Finance will implement a process that requires profit and loss statements be prepared and attached to all cash receipts for fundraising activities. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

4. Recommendation (Cash Disbursements)

During our review of cash disbursements, we found that cash disbursements were made without formal documentation of the approval by the student officer of that specific club.

We recommend that a payment order approval form be used that includes the student officer approval for all cash disbursements as described in “The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds” pamphlet provided by the New York State Education Department.

Response

The Assistant Superintendent for Finance will implement a process for student officers to utilize a payment order approval form for all cash disbursements as described in “The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds” pamphlet provided by the New York State Education Department. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

5. Recommendation (Student Officer Lists)

We found that the student officer and faculty advisor lists do not include the signatures of the officers or advisors for all clubs to ensure the Extraclassroom Activity Fund Treasurers had sample signatures for each advisor and student officer of each club.

We recommend that the Extraclassroom Activity Treasurer receive a sample signature from each student officer and faculty advisor from each club in order to be able to cross reference approvals on cash receipts and cash disbursements.

Pursuant to Commissioner’s Regulation §170.12(e)(4)(i), we do not consider this recommendation and/or suggestion to be a finding or require a corrective action plan.

Response

Although no corrective action plan is required, we agree this is a best practice, therefore the Assistant Superintendent for Finance will implement a process that requires the Extraclassroom Activity Treasurer receive a sample signature form from each student officer and faculty advisor from each club in order to be able to cross reference approvals on cash receipts and cash disbursements. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

6. Recommendation (Club Records)

We found that there were clubs that did not keep their own accounting records to compare to the Extraclassroom Activity Treasurer’s books and records.

We recommend that each club should designate a student officer to keep their own books and records and regularly reconcile them to the Extraclassroom Activity Treasurer’s books and records.

Pursuant to Commissioner’s Regulation §170.12(e)(4)(i), we do not consider this recommendation and/or suggestion to be a finding or require a corrective action plan.

Response

Although no corrective action plan is required, we agree this is a best practice, therefore the Assistant Superintendent for Finance will implement a process that requires student officers to keep their own books and records and regularly reconcile them to the Extraclassroom Activity Treasurer’s books and records. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

7. Recommendation (Inactive Clubs)

During our review of the Extraclassroom Activity Funds summary schedule, we found there were clubs listed that did not have activity during the year ended June 30, 2023 or during the current fiscal year.

We recommend the District review these clubs to determine if they should be considered inactive clubs.

Pursuant to Commissioner’s Regulation §170.12(e)(4)(i), we do not consider this recommendation and/or suggestion to be a finding or require a corrective action plan.

Response

Prior to the end of each fiscal year, the Assistant Superintendent for Finance reviews the status of each club with the respective building principals and/or Extraclassroom Activity Treasurer to determine which clubs should remain open and funds retained for the following fiscal year. The clubs identified during the audit were clubs determined by administration to remain open.

High School

1. Recommendation (Cash Receipts #1)

During our review of cash receipts, we found that bank deposits were made without formal documentation of the approval of the acceptance of funds by the student officer of that specific club.

We recommend that a deposit receipt form be used that includes the student officer approval for all cash receipts as described in “The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds” pamphlet provided by the New York State Education Department.

Response

The Assistant Superintendent for Finance will implement a process for student officers to utilize a deposit receipt form for all cash receipts as described in “The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds” pamphlet provided by the New York State Education

Department. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

2. Recommendation (Cash Receipts #2)

During our review of cash receipts, we found instances in which funds were held for long periods of time before they were deposited into the bank.

We recommend that all funds received by each club be remitted to the Central Treasurer and deposited into the bank on a timely basis. The recommended time is within 72 hours of receiving the funds.

Response

The Assistant Superintendent for Finance will implement a process for training student officers and faculty advisors on the procedures for depositing funds within 72 hours of receipt. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

3. Recommendation (Profit and Loss Statements)

During our review of fundraising activities to ensure profit and loss statements are being filled out for each individual fundraiser, we found that there were receipts for fundraising activities that did not have a profit and loss statement attached.

We recommend a profit and loss statement be prepared and attached to all cash receipts for fundraising activities.

Pursuant to Commissioner's Regulation §170.12(e)(4)(i), we do not consider this recommendation and/or suggestion to be a finding or require a corrective action plan.

Response

Although no corrective action plan is required, we agree this is a best practice, therefore the Assistant Superintendent for Finance will implement a process that requires profit and loss statements be prepared and attached to all cash receipts for fundraising activities. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

4. Recommendation (Cash Disbursements)

During our review of cash disbursements, we found that cash disbursements were made without formal documentation of the approval by the student officer of that specific club.

We recommend that a payment order approval form be used that includes the student officer approval for all cash disbursements as described in "The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds" pamphlet provided by the New York State Education Department.

Response

The Assistant Superintendent for Finance will implement a process for student officers to utilize a payment order approval form for all cash disbursements as described in “The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds” pamphlet provided by the New York State Education Department. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

5. Recommendation (Sales Tax)

During our review of the cash disbursement, we found instances when a club purchased items using the District’s sales tax exemption.

We recommend the District Extraclassroom Activity Funds not use the Districts [sales tax exemption] to make purchases and pay the appropriate sales tax for items that are considered taxable sales under New York State law.

Response

The Assistant Superintendent for Finance will implement a process for training student officers and faculty advisors on the procedures relating to taxable and non-taxable sales under New York State law. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

6. Recommendation (Student Officer Lists)

We found that the student officer and faculty advisor lists do not include the signatures of the officers or advisors for all clubs to ensure the Extraclassroom Activity Fund Treasurers had sample signatures for each advisor and student officer of each club.

We recommend that the Extraclassroom Activity Treasurer receive a sample signature from each student officer and faculty advisor from each club in order to be able to cross reference approvals on cash receipts and cash disbursements.

Pursuant to Commissioner’s Regulation §170.12(e)(4)(i), we do not consider this recommendation and/or suggestion to be a finding or require a corrective action plan.

Response

Although no corrective action plan is required, we agree this is a best practice, therefore the Assistant Superintendent for Finance will implement a process that requires the Extraclassroom Activity Treasurer receive a sample signature form from each student officer and faculty advisor from each club in order to be able to cross reference approvals on cash receipts and cash disbursements. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

7. Recommendation (Club Records)

We found that there were clubs that did not keep their own accounting records to compare to

the Extraclassroom Activity Treasurer's books and records.

We recommend that each club should designate a student officer to keep their own books and records and regularly reconcile them to the Extraclassroom Activity Treasurer's books and records.

Pursuant to Commissioner's Regulation §170.12(e)(4)(i), we do not consider this recommendation and/or suggestion to be a finding or require a corrective action plan.

Response

Although no corrective action plan is required, we agree this is a best practice, therefore the Assistant Superintendent for Finance will implement a process that requires student officers to keep their own books and records and regularly reconcile them to the Extraclassroom Activity Treasurer's books and records. This process will be implemented for the start of the 2024-25 school year and training for student officers and faculty advisors will be completed by October 31, 2024.

We appreciate the analysis and recommendations from the auditors as well as the time, attention, and level of professionalism shown to the District during the audit of Extraclassroom Activity Funds. We look forward to working with you throughout the year as we work to implement this corrective action plan. Should you require additional information, please contact me by telephone at (914) 693-1500 extension 3030 or via email at clamserr@dfs.org

Sincerely,



Ron Clamser, Jr., Ed.D.
Assistant Superintendent for
Finance, Facilities, and Operations