

October 6, 2022

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To Whom It May Concern:

This letter is in response to the Management Letter issued to the Dobbs Ferry Union Free School District (the District) for the audit of the fiscal year ended June 30, 2022:

1. Recommendation (School Lunch Fund - Excessive Fund Balance)

The New York State Education Regulations have suggested that the fund balance in the School Lunch fund be no more than three months' worth of operating average expenditures, which is \$231,411. The School Lunch fund has a total assigned fund balance of \$300,328 at June 30, 2022, which is excessive by \$68,917. We recommend that the school district take all necessary steps to utilize the excess portion of this fund balance in the upcoming fiscal year.

Response

The Assistant Superintendent for Finance prepared the 2022-23 School Lunch Fund spending plan to include an appropriation from fund balance for the purchase of kitchen cooking equipment that needs to be replaced. The budget was approved by the board of education on August 22, 2022.

2. Recommendation (Single Audit - Education Stabilization Funds CRRSA Reporting)

It was noted that the expenditures recorded per the general ledger were not in line with the budgeted amounts per the FS-10. We recommend that the School District file amended FS-10's upon any change to the initial budget. Although expenditures did not exceed the budgeted amounts per the FS-10, the School District should file amendments to ensure reporting is timely and in line with the expended amounts.

Response

The Assistant Superintendent for Finance will prepare and submit the FS-10 amendment no later than December 31, 2022.

3. Recommendation (Extraclassroom - Inactive Accounts)

During the audit, it was noted that four middle school accounts did not have activity for the year, as well as three accounts in the high school. We recommend that the School District determine if these activity accounts should remain open, or, if they should be closed and the monies be transferred elsewhere.

Response

Prior to fiscal year end, the Assistant Superintendent for Finance discussed with the respective building principals and club advisors 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.

4. Recommendation (Special Aid Fund)

The Special Aid Fund is used to account for special projects or grants supported in whole or in part with Federal and State funds. The major revenues of this fund are Federal and State aid. The District does not maintain a project length schedule throughout the year. Therefore, there is no proper tracking for revenues and expenditures throughout the multi-year projects. This also corresponds to lack of tracking for unearned revenues and receivables relating to these projects. It should also be noted that in addition to Federal and State grants, the District also has local grants in this fund. We recommend that the District prepare and maintain a project length schedule to track all expenditures, revenues, cash receipts, unearned revenues and receivables relating to each grant received. Basic procedures should include tracing to the general ledger at year end, segregating the schedule to maintain prior years projects that have remained open during the current year, agreeing the amounts to the FS-10 reports and the New York State confirmations.

Response

The fiscal year end for some Federal and State grants do not always coincide with the school district fiscal year, which results in the district needing to make year end journal entries to balance the grant funded accounts. The project length schedule recommended by the auditors will assist the district in accounting for these entries across multiple fiscal year periods. The District Treasurer attempted to utilize the project length schedule provided by the auditors, but was unable to reconcile to the schedules beginning balances, and therefore did not have the schedule completed in time for the audit. During the audit, assistance was provided to the Treasurer, and she is now able to maintain the schedule moving forward.

5. Recommendation (Cash Receipts)

During the preliminary audit, it was noted that one of the five receipts selected was not deposited within 72 hours of receipt. We recommend that the School District deposit all monies received within 72 hours of receipt.

Response

The District maintains a procedure to deposit all receipts within 72 hours of receiving them. On occasion, a check is received that requires the district to research the purpose of the funds received and whether they should be deposited or returned to sender. In

these rare instances, the district may need more than 72 hours. During this time, checks are stored in a secure location with limited access.

We appreciate the input from the auditors as well as the time, attention, and level of professionalism shown to the District during the audit. Should you require additional information, please contact me by telephone at (914) 693-1500 extension 3030 or at clamserr@dfs.org

Sincerely



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