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To the Board of Education and
Mr. Stephen Harrison, Assistant Superintendent for Business
East Islip Union Free School District
1 Craig B. Gariepy Avenue
Islip Terrace, New York 11752

In planning and performing our audit of the financial statements of the governmental activities, each major fund and the fiduciary funds of the East Islip Union Free School District as of and for the fiscal year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we have examined the accounting records and other supporting data of the District and have found that the financial statements are fairly presented in all material aspects.

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

SCHOOL FOOD SERVICE FUND

Fund Balance

During our current year audit, we noted that the fund balance in the school food service fund exceeded the three-month average expenditure level allowable by federal regulations 7CFR Part 210.14(b) by \$58,714. We recommend the District develop a plan to reduce the fund balance to an allowable level.

EXTRACLASSROOM ACCOUNTS

Extraclassroom Accounts

The District has established extra classroom activity accounts to maintain student activities and funds. The New York State Education Department has published guidelines governing the manner

recommended that the District revise its network password policy to require a minimum of eight characters, and that network passwords be held to complexity requirements, as recommended by the Office of the State Comptroller.

STATUS: **Implemented.**

EXTRACLASSROOM ACCOUNTS

Extraclassroom Accounts:

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

- Supporting documentation for cash receipts was not provided to the Central Treasurer for review. In addition, the faculty advisors were unable to provide sufficient supporting documentation for ten out of fifteen cash receipts selected for testing.
- Cash disbursements were not properly cancelled after payment to prevent

- Four clubs did not appear to meet the State's definition of a bona fide club.
- The District did not monitor the extra classroom activity fund to ensure that IRS Forms 1099 were issued for all non-employee compensation exceeding \$600 during the calendar year.

We recommended that supporting documentation for all cash receipts be provided to the Central Treasurer for review, and that the supporting documentation be maintained on file. We also recommended that cash disbursements be properly cancelled after payment to prevent duplicate payment, and that extra classroom accounts which do not meet the State's definition of a bona fide club be closed, and that the account balance be transferred to an appropriate club in accordance with District policy. In addition, we recommended that the District monitor the extra classroom activity fund for compliance with IRS Form 1099 requirements.

STATUS: **Partially Implemented.** During our current year audit, we noted the following:

- Supporting documentation for cash receipts was not always provided to the Central Treasurer for review. In addition, the District was unable to provide

We would like to acknowledge the assistance of _____
