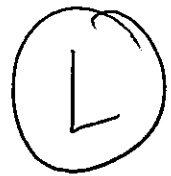


THREE VILLAGE CENTRAL SCHOOL DISTRICT
STONY BROOK, NEW YORK



BOARD OF EDUCATION AGENDA MATERIALS

DATE OF BOARD MEETING: March 21, 2018

DATE MATERIAL SUBMITTED: March 8, 2018

OFFICE OF ORIGIN: Business Services

CATEGORY OF ITEM: Action

TITLE: Claims Auditor's Report – December 2017 through January 2018
--

STAFF RECOMMENDATION:

Accept the Report

BACKGROUND - RATIONALE:

NOT AN OFFICIAL RECORD; SUBJECT TO CHANGE



December 31, 2017

The Board of Education
Three Village Central School District
Stony Brook, NY 11790

Board of Education:

During our claims audit procedures conducted during December 2017, we reviewed approximately 1,619 claims, including 691 Medicare claims, and have identified the items below that need to be reviewed. We have approved these claims for payment and release (except as noted below), as they were valid claims against the District. Although we noted the following instances during our review, the expenditures appear to be appropriate.

Findings:

1. There were 2 checks that were held and subsequently voided because the District issued checks to an incorrect vendor or misspelled the vendor names. These checks will be reissued to the correct vendor on a future warrant.

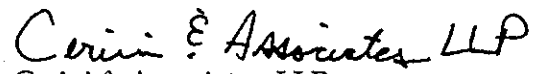
Other Matters:

1. We noted 8 claims where the purchase order was encumbered subsequent to the date of the invoice or service. While these confirming purchase orders provide evidence of expenditures, the real control is in ensuring that such purchases are approved before being committed to by the District. To ensure that budgetary limits are monitored, and expenditures are properly approved and obtained at the most appropriate price, all purchase orders, where practicable, should be generated prior to goods and services being ordered and received.
2. We noted 1 instance where the District was paying a vendor from a fax or copy of an invoice as opposed to an original invoice. We did not see any indication that this invoice was researched for prior payment. Paying off faxes or copies may result in invoices being paid twice. We understand that at times invoices may be lost in the mail or misplaced and the need to pay off duplicate invoices may be warranted.
3. We noted 11 instances that contained invoices that were held for more than 90 days prior to payment based on the dates of our review. We recognize that invoices come from multiple departments within the District and understand that sometimes invoices are lost or misplaced, or there may be problems with the products purchased that may require the District to hold payments. Management has advised the departments to remit approved invoices in a timely manner.

We understand the fiduciary duty of the Board of Education, as well as the role of the claims auditor in ensuring that all disbursements are valid and handled according to the provisions of the Education Law and the Board's policies and procedures.

Should you have any questions regarding anything included in our report, please do not hesitate to contact us at (631) 582-1600.

Sincerely,

A handwritten signature in cursive script that reads "Cerini & Associates LLP".

Cerini & Associates, LLP
Claims Auditors

Three Village CSD
Instance Schedule
December 2017

Visit Date	Check #	Check Date	Vendor/Payee Description	Department	PO #	PO Date	Original PO Amount	Invoice Date	Instance Amount	Instance	Action/Resolution
12/14/17	15269	12/15/17	Raghu Rahliah	-	-	-	-	-	\$ 50.00	Incorrect Vendor	Voided
12/14/17	15272	12/15/17	Rosa Sirausa	-	-	-	-	-	\$ 50.00	Incorrect Vendor	Voided
12/01/17	62781	12/01/17	ThinkAUM	North Country Admin Center	A18-02946	11/16/17	-	11/13/17	\$ 100.00	-	-
12/14/17	62927	12/15/17	Acme Bus Corp.	Pupil Personnel Services	A18-00068	11/30/17	\$ 1,466.36	06/02/17	\$ 190.00	Confirming Purchase Order(s)	-
12/14/17	62941	12/15/17	Exodus NYC, Inc.	HPERA	A18-03127	12/01/17	\$ 150.00	12/02/17	\$ 150.00	Confirming Purchase Order(s)	-
12/14/17	62943	12/15/17	Fratelli's Marketplace	Business Services	A18-03217	12/12/17	\$ 1,000.00	12/04/17	\$ 924.52	Confirming Purchase Order(s)	-
12/14/17	63046	12/15/17	B.L. Ink, Inc.	Main Office	A18-02780	11/02/17	\$ 1,325.50	10/19/17	\$ 1,325.50	Confirming Purchase Order(s)	-
12/14/17	63078	12/15/17	Paper Direct	North Country Admin Center	A18-03101	11/29/17	-	11/21/17	\$ 98.12	Confirming Purchase Order(s)	-
12/28/17	63185	12/28/17	Junior Library Guild	Arrowhead Elementary School	A18-03038	11/29/17	\$ 1,037.50	11/03/17	\$ 1,037.50	Confirming Purchase Order(s)	-
12/28/17	63292	12/28/17	Suffolk Transportation	Ward Melville	A18-03031	11/28/17	\$ 571.20	11/18/17	\$ 813.77	Confirming Purchase Order(s)	-
12/01/17	62802	12/01/17	Nathalie Llavoris	North Country Admin Center	A18-02877	11/20/17	\$ 250.00	10/28/17	\$ 6,003.77	Invoice is A Copy/Fax	-
12/01/17	62764	12/01/17	Really Good Stuff	Selauket Elementary School	A18-01110	-	-	07/17/17	\$ 47.10	Invoices Over 90 Days	-
12/01/17	62766	12/01/17	Sex/School Specialty	Three Village CSD	Various in 1/248	-	-	Various in August 2017	Partial	Invoices Over 90 Days	-
12/01/17	62773	12/01/17	Simplex-Grimell LP	Maintenance & Operations	A18-00313	-	-	08/20/17	Whole	Invoices Over 90 Days	-
12/14/17	62860	12/15/17	Cascade School Supplies	Nussleburg Elementary School	A18-01545	-	-	09/07/17	Whole	Invoices Over 90 Days	-
12/14/17	62902	12/15/17	Sex/School Specialty	Selauket Elementary School	A18-01564	-	-	08/11/17	Partial	Invoices Over 90 Days	-
12/14/17	62903	12/15/17	School Specialty, Inc.	Selauket Elementary School	A18-01234	-	-	09/08/17	Partial	Invoices Over 90 Days	-
12/14/17	62962	12/15/17	School Specialty, Inc.	Main Office	A18-01237	-	-	07/25/17	Partial	Invoices Over 90 Days	-
12/14/17	63087	12/15/17	Sex/School Specialty	Minnesauke Elementary School	A17-04652	-	-	09/14/17	Partial	Invoices Over 90 Days	-
12/28/17	63206	12/28/17	Sex/School Specialty	Mount Elm School	A18-01162	-	-	09/06/17	Partial	Invoices Over 90 Days	-
12/28/17	63223	12/28/17	TR-Slate Sound & Video	North Country Admin Center	A18-00927	-	-	07/19/17	Partial	Invoices Over 90 Days	-
12/28/17	63285	12/28/17	W.B. Mason, Co., Inc.	North Country Admin Center	A18-00577	-	-	09/13/17	Whole	Invoices Over 90 Days	-
12/28/17	63285	12/28/17	W.B. Mason, Co., Inc.	North Country Admin Center	A18-00704	-	-	09/12/17	Partial	Invoices Over 90 Days	-
12/28/17	63285	12/28/17	W.B. Mason, Co., Inc.	North Country Admin Center	A18-00704	-	-	Various in July & August 2017	Partial	Invoices Over 90 Days	-
12/28/17	63285	12/28/17	W.B. Mason, Co., Inc.	North Country Admin Center	A18-00704	-	-	Various in July & August 2017	Partial	Invoices Over 90 Days	-

Three Village CSD
Warrant Summary
December 1, 2017


The following claims on warrants listed below have been duly audited and ordered paid by Cerini & Associates, LLP (C&A).

Warrant Number	Warrant Date	Fund	Beg Check Number	End Check Number	Number of Claims on Warrant	Approved Number of Claims	Approved Amount
123	11/27/2017	A	62630	62630	1	1	\$ 1,792.74
126	12/1/2017	A	62631	62685	55	55	\$ 111,572.66
125	12/1/2017	A	62686	62726	41	40	\$ 543,127.29 *
130	12/1/2017	A	62727	62785	59	58	\$ 68,614.98 **
128	12/1/2017	A	62786	62822	37	37	\$ 33,061.91
130	12/1/2017	A	62823	62823	1	1	\$ 9,255.65
134	12/1/2017	A	62824	62824	1	1	\$ 96,009.38
134	11/20/2017	A		Wires	12	12	\$ 417,322.39
133	12/1/2017	C	20547	20549	3	3	\$ 18,522.86
131	12/1/2017	F	10213	10216	4	4	\$ 62,148.96
127	12/1/2017	H	5157	5159	3	3	\$ 260,093.95
129	12/1/2017	T	15232	15237	6	6	\$ 6,187.36
122	11/21/2017	T&A	10576	10589	14	13	\$ 90,897.71 ***
132	12/1/2017	T&A	10590	10590	1	1	\$ 492.96
122	11/21/2017	T&A		Wires	37	37	\$ 1,698,177.64
124	11/28/2017	TE	2056	2056	1	1	\$ 300.00
				Totals	276	273	\$ 3,417,578.44

- * Excludes check 62724, which was voided by the District.
- ** Excludes check 62785, which was voided by the District.
- *** Excludes check 10584, which was voided by the District.

The detailed documentation supporting the claims listed above has been reviewed and approved by the Claims Auditor and the payment of each certified claim verified that it was charged to the proper fund.

The aforementioned function was performed by representatives of Cerini & Associates, LLP as certified below.


James Laino, Claims Auditor
Cerini & Associates, LLP



Three Village CSD
Warrant Summary
December 14, 2017


The following claims on warrants listed below have been duly audited and ordered paid by Cerini & Associates, LLP (C&A).

Warrant Number	Warrant Date	Fund	Beg Check Number	End Check Number	Number of Claims on Warrant	Approved Number of Claims	Approved Amount
137	12/7/2017	A	62825	62834	10	10	\$ 8,950.00
142	12/15/2017	A	62835	62926	92	92	\$ 183,253.50
143	12/15/2017	A	62927	62969	43	43	\$ 509,468.33
145	12/15/2017	A	62970	63036	67	67	\$ 19,815.62
144	12/15/2017	A	63037	63097	61	61	\$ 194,134.62
146	12/15/2017	A	63098	63098	1	1	\$ 808,569.96
135	12/1/2017	A		Wires	2	2	\$ 2,265,045.04
148	12/15/2017	C	20550	20561	12	12	\$ 42,410.82
141	12/15/2017	F	10217	10218	2	2	\$ 1,343.53
147	12/15/2017	F	10219	10219	1	1	\$ 150.00
138	12/15/2017	H	5160	5161	2	2	\$ 315,597.60
139	12/15/2017	T	15238	15276	39	37	\$ 3,200.00 *
140	12/15/2017	T	15277	15285	9	9	\$ 30,124.45
136	12/8/2017	T&A	10591	10600	10	10	\$ 25,291.09
136	12/8/2017	T&A		Wires	31	31	\$ 1,717,204.39
				Totals	382	380	\$ 6,124,558.95

* Excludes checks 15269 and 15272, which were held by C&A.

The detailed documentation supporting the claims listed above has been reviewed and approved by the Claims Auditor and the payment of each certified claim verified that it was charged to the proper fund.

The aforementioned function was performed by representatives of Cerini & Associates, LLP as certified below.


James Laino, Claims Auditor
Cerini & Associates, LLP



**Three Village CSD
Warrant Summary
December 28, 2017**

The following claims on warrants listed below have been duly audited and ordered paid by Cerini & Associates, LLP (C&A).

Warrant Number	Warrant Date	Fund	Beg Check Number	End Check Number	Number of Claims on Warrant	Approved Number of Claims	Approved Amount
150	12/28/2017	A	63099	63100	52	52	\$ 72,693.88
			63102	63152			
153	12/28/2017	A	63101	63101	37	37	\$ 6,795.62
			63229	63264			
157	12/28/2017	A	63153	63228	79	79	\$ 180,809.74
			63297	63299			
155	12/28/2017	A	63265	63296	32	32	\$ 1,470,930.25
158	12/28/2017	A (Med)	63300	63990	691	691	\$ 912,737.80
161	12/28/2017	C	20562	20569	8	8	\$ 59,826.24
154	12/28/2017	H	5162	5164	3	3	\$ 68,384.40
156	12/28/2017	H	5165	5166	2	2	\$ 108,323.75
149	12/22/2017	T&A	10601	10613	49	49	\$ 1,778,992.83
				Wires			
152	12/28/2017	T&A	10614	10614	1	1	\$ 492.96
151	12/28/2017	T	15286	15292	7	7	\$ 5,075.74
				Totals	961	961	\$ 4,665,063.21

The detailed documentation supporting the claims listed above has been reviewed and approved by the Claims Auditor and the payment of each certified claim verified that it was charged to the proper fund.

The aforementioned function was performed by representatives of Cerini & Associates, LLP as certified below.

Chris Maher, Claims Auditor
Cerini & Associates, LLP

Three Village CSD
Claims Audit Summary
July 1, 2017 - December 31, 2017

6-Month Total				
<u>Claims Audit Issue</u>	<u># of</u>	<u>% of</u>	<u>% of</u>	<u>% of</u>
	<u>Instances</u>	<u>Claims</u>	<u>Instances</u>	<u>Instances</u>
<u>Significant Issues:</u>				
Incorrect vendor used	2	0.05	2.06	
Insufficient backup	4	0.11	4.13	
Sales tax included in check	3	0.08	3.09	
<u>Total Issues:</u>	9	0.24	9.28	
<u>Other Matters:</u>				
Confirming purchase orders	40	1.06	41.24	
Invoices over 90 days old	40	1.06	41.24	
Purchase order increased after invoice date	3	0.08	3.09	
Invoice is a copy / fax	1	0.03	1.03	
PO closed and reopened	2	0.05	2.06	
Purchase order over-extended	2	0.05	2.06	
<u>Total Other Matters:</u>	88	2.33	90.72	
TOTAL NUMBER OF INSTANCES	97	2.57	100.00	
TOTAL CLAIMS AUDITED PER MONTH (not including Medicare)	3,775			

Three Village CSD
Claims Audit Summary
July 1, 2017 - December 31, 2017

Claims Audit Issue	Oct-17			Nov-17			Dec-17			2nd Quarter Total		
	# of Instances	% of Claims	% of Instances	# of Instances	% of Claims	% of Instances	# of Instances	% of Claims	% of Instances	# of Instances	% of Claims	% of Instances
Significant Issues:												
Incorrect vendor used	0	0.00	0.00	0	0.00	0.00	2	0.22	9.09	2	0.09	2.67
Insufficient backup	0	0.00	0.00	2	0.30	7.14	0	0.00	0.00	2	0.09	2.67
Sales tax included in check	1	0.15	4.00	2	0.30	7.14	0	0.00	0.00	3	0.13	4.00
Total Issues:	1	0.15	4.00	4	0.60	14.28	2	0.22	9.09	7	0.31	9.34
Other Matters:												
Confirming purchase orders	16	2.38	64.00	3	0.44	10.71	8	0.86	36.36	27	1.19	36.00
Invoices over 90 days old	7	1.04	28.00	18	2.67	64.29	11	1.19	50.00	36	1.58	48.00
Purchase order increased after invoice date	1	0.15	4.00	2	0.30	7.14	0	0.00	0.00	3	0.13	4.00
Invoice is a copy/fax	0	0.00	0.00	0	0.00	0.00	1	0.11	4.55	1	0.04	1.33
PO closed and reopened	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00
Purchase order over-extended	0	0.00	0.00	1	0.15	3.58	0	0.00	0.00	1	0.04	1.33
Total Other Matters:	24	3.57	96.00	24	3.56	85.72	20	2.16	90.91	68	2.98	90.66
TOTAL NUMBER OF INSTANCES	25	3.72	100.00	28	4.16	100.00	22	2.38	100.00	75	3.29	100.00
TOTAL CLAIMS AUDITED PER MONTH (not including Medicare)	671			675			928			2,274		



January 31, 2018

The Board of Education
Three Village Central School District
Stony Brook, NY 11790

Board of Education:

During our claims audit procedures conducted during January 2018, we reviewed approximately 591 claims, which includes 2 Medicare claims; and have identified the items below that need to be reviewed. We have approved these claims for payment and release (except as noted below), as they were valid claims against the District. Although we noted the following instances during our review, the expenditures appear to be appropriate.

Findings: None noted.

Other Matters:

1. We noted 7 claims where the purchase order was encumbered subsequent to the date of the invoice or service. While these confirming purchase orders provide evidence of expenditures, the real control is in ensuring that such purchases are approved before being committed to by the District. To ensure that budgetary limits are monitored, and expenditures are properly approved and obtained at the most appropriate price, all purchase orders, where practicable, should be generated prior to goods and services being ordered and received.
2. We noted 9 instances that contained invoices that were held for more than 90 days prior to payment based on the dates of our review. We recognize that invoices come from multiple departments within the District and understand that sometimes invoices are lost or misplaced, or there may be problems with the products purchased that may require the District to hold payments. Management has advised the departments to remit approved invoices in a timely manner.

We understand the fiduciary duty of the Board of Education, as well as the role of the claims auditor in ensuring that all disbursements are valid and handled according to the provisions of the Education Law and the Board's policies and procedures.

Should you have any questions regarding anything included in our report, please do not hesitate to contact us at (631) 582-1600.

Sincerely,

Cerini & Associates LLP
Cerini & Associates, LLP
Claims Auditors

Three Village CSD
 Invoice Schedule
 January 2018

Visit Date	Check #	Check Date	Vendor / Payee Description	Department	PO #	PO Date	Original PO Amount	Invoice Date	Instance Amount	Instance	Action/Resolution
01/12/18	15295	01/12/18	Sensory Lighting & Sound	W.S. Mount Elementary	0718-00078	12/22/17	\$ 165.32	05/26/17	\$ 165.32	Confirming Purchase Order(s)	
01/12/18	64060	01/12/18	Caroline Castanza	Nassaukang Elementary	A18-03361	12/22/17	\$ 100.00	11/15/17	\$ 27.61	Confirming Purchase Order(s)	
01/12/18	64063	01/12/18	Rebecca Dapostino	Nassaukang Elementary	A18-03192	12/11/17	\$ 100.00	11/16/17	\$ 27.61	Confirming Purchase Order(s)	
01/12/18	64085	01/12/18	Laura McNamara	North Country Admin.	A18-02906	11/13/17	\$ 1,740.00	11/09/17	\$ 1,766.18	Confirming Purchase Order(s)	
01/12/18	64191	01/12/18	LIASCD	North Country Admin.	A18-03112	12/04/17	\$ 140.00	09/29/17	\$ 1,400.00	Confirming Purchase Order(s)	
01/26/18	64330	01/26/18	B.I. Ink, Inc.	North Country Admin.	A18-03363	12/22/17	\$ 600.00	12/18/17	\$ 600.00	Confirming Purchase Order(s)	
01/26/18	64398	01/26/18	Rob Goldman Inc.	North Country Admin.	A18-03613	01/24/18	\$ 1,200.00	11/07/17	\$ 1,200.00	Confirming Purchase Order(s)	
Total	7								\$ 3,526.72		
01/12/18	26560	01/12/18	Rich Products Corp.	North Country Admin.	C18-00032	-	-	09/19/17	Whole	Invoices Over 90 Days	
01/12/18	64029	01/12/18	Sax / School Specialty	Ward Melville HS	A18-00140	-	-	07/01/17	Whole	Invoices Over 90 Days	
01/12/18	64030	01/12/18	School Specialty Inc.	Nassaukang Elementary	A18-00181	-	-	07/01/17	Partial	Invoices Over 90 Days	
01/12/18	64203	01/12/18	Reilly Good Stuff	Arrowhead Elementary	A18-02189	-	-	09/21/17	Whole	Invoices Over 90 Days	
01/26/18	64299	01/26/18	Gralinger	North Country Admin.	A18-00477	-	-	09/28/17	Whole	Invoices Over 90 Days	
01/26/18	64330	01/26/18	Staples Advantage	Setauket Elementary	A18-01930	-	-	10/09/17	Partial	Invoices Over 90 Days	
01/26/18	64363	01/26/18	Child's Work/Child's Play	Minnesauke Elementary	A18-01916	-	-	09/06/17	Whole	Invoices Over 90 Days	
01/26/18	64407	01/26/18	Think Social Publishing	Minnesauke Elementary	A18-01858	-	-	10/13/17	Whole	Invoices Over 90 Days	
01/26/18	64416	01/26/18	25Pace Inc.	North Country Admin.	A18-01220	-	-	9/28/2017	Whole	Invoices Over 90 Days	
Total	9										




**Three Village CSD
Warrant Summary
January 12, 2018**

The following claims on warrants listed below have been duly audited and ordered paid by Cerini & Associates, LLP (C&A).

Warrant Number	Warrant Date	Fund	Beg Check Number	End Check Number	Number of Claims on Warrant	Approved Number of Claims	Approved Amount
167	1/12/2018	A	63991	63991	58	58	\$ 149,124.92
			63993	64049			
171	1/12/2018	A	63992	63992	67	67	\$ 9,605.82
			64050	64115			
168	1/12/2018	A	64116	64146	31	31	\$ 182,776.67
170	1/12/2018	A	64147	64216	70	70	\$ 98,169.00
159	12/27/2017	A		Wires	2	2	\$ 2,274,389.63
160	12/19/2017	A		Wires	10	10	\$ 1,989,314.85
169	1/12/2018	C	20570	20580	11	11	\$ 28,538.85
165	1/12/2018	F	10220	10220	1	1	\$ 1,499.00
163	1/12/2018	H	5167	5169	3	3	\$ 245,429.50
164	1/12/2018	T	15293	15296	4	4	\$ 1,415.32
162	1/5/2018	T&A	10615	10624	10	10	\$ 25,947.02
166	1/12/2018	T&A	10625	10625	1	1	\$ 783.71
162	1/5/2018	T&A		Wires	29	29	\$ 1,683,734.15
				Totals	297	297	\$ 6,690,728.44

The detailed documentation supporting the claims listed above has been reviewed and approved by the Claims Auditor and the payment of each certified claim verified that it was charged to the proper fund.

The aforementioned function was performed by representatives of Cerini & Associates, LLP as certified below.


 Matthew Simeone, Claims Auditor
 Cerini & Associates, LLP



**Three Village CSD
Warrant Summary
January 26, 2018**

The following claims on warrants listed below have been duly audited and ordered paid by Cerini & Associates, LLP (C&A).

Warrant Number	Warrant Date	Fund	Beg Check Number	End Check Number	Number of Claims on Warrant	Approved Number of Claims	Approved Amount
172	1/26/2018	A	64217	64217	1	1	\$ 660.00
173	1/17/2018	A	64218	64219	2	2	\$ 520.00
178	1/26/2018	A	64220	64220	21	21	\$ 3,686.93
			64417	64436			
175	1/26/2018	A	64221	64272	52	52	\$ 182,351.65
177	1/26/2018	A	64273	64344	72	72	\$ 557,327.88
176	1/26/2018	A	64345	64416	72	72	\$ 367,879.17
183	1/26/2018	A	64437	64441	5	5	\$ 4,800.26
184	1/26/2018	A(Med)	64442	64443	2	2	\$ 4,233.60
182	1/26/2018	C	20581	20591	11	11	\$ 25,029.32
181	1/26/2018	H	5170	5173	4	4	\$ 150,961.73
185	1/26/2018	OT	15297	15299	3	3	\$ 4,913.40
174	1/19/2018	T&A	10626	10638	13	13	\$ 94,700.94
				Wires	37	37	\$ 1,619,230.84
180	1/26/2018	T&A	10639	10639	1	1	\$ 492.96
				Totals	296	296	\$ 3,016,788.68

The detailed documentation supporting the claims listed above has been reviewed and approved by the Claims Auditor and the payment of each certified claim verified that it was charged to the proper fund.

The aforementioned function was performed by representatives of Cerini & Associates, LLP as certified below.

Cerini & Associates LLP

Claims Auditor
Cerini & Associates, LLP