

THREE VILLAGE CENTRAL SCHOOL DISTRICT
STONY BROOK, NEW YORK

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BOARD OF EDUCATION AGENDA MATERIALS

DATE OF BOARD MEETING: May 2, 2018

DATE MATERIAL SUBMITTED: April 27, 2018

OFFICE OF ORIGIN: Business Services

CATEGORY OF ITEM: Action

TITLE: Claims Auditor's Report – February 2018 through March 2018

STAFF RECOMMENDATION:

Accept the Report

BACKGROUND - RATIONALE:

NOT AN OFFICIAL RECORD; SUBJECT TO CHANGE



February 28, 2018

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

Board of Education:

During our claims audit procedures conducted during February 2018, we reviewed approximately 566 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 was 1 check that was voided due to an incorrect check amount. This check will be reissued for the correct amount.

Other Matters:

1. We noted 5 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 2 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.
3. We noted 1 instance where the purchase order was increased after the invoice date. We spoke to accounts payable to ensure that while the purchase orders were under-encumbered, there was enough money in the budget line for the expenditure. Even so, the increased amount is essentially confirming, as the Purchasing Agent did not authorize the excess amount.

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
Instance Schedule
February 2018

Visit Date	Check #	Check Date	Vendor / Payee Description	Department	PO #	PO Date	Original PO Amount	Invoice Date	Instance Amount	Instance	Action/Resolution
02/09/18	64547	02/09/18	HerRentals, Inc.	North Country	A18-00480	02/01/17	\$ 96,903.60	01/16/18	\$ 6,356.05	Incorrect Check Amount	Voided
02/09/18	64502	02/09/18	Marc Aronson, P.H.D.	P.J. Collins JHS	A18-00492	02/01/18	-	01/30/18	\$ 2,700.00	Confirming Purchase Order(s)	
02/09/18	64584	02/09/18	The American Real Estate School	North Country	A18-03564	01/23/18	-	11/10/17	\$ 1,760.00	Confirming Purchase Order(s)	
02/23/18	64610	02/23/18	School Specialty, Inc.	Nassaukag Elem School	A18-03756	02/09/18	-	08/29/17	\$ 93.56	Confirming Purchase Order(s)	
02/23/18	64611	02/23/18	SCNTA	P.J. Collins JHS	A18-03816	02/12/18	-	01/06/18	\$ 220.00	Confirming Purchase Order(s)	
02/23/18	64635	02/23/18	West Islip Public Schools	North Country	A18-03601	01/24/18	-	11/27/17	\$ 8,470.98	Confirming Purchase Order(s)	
02/23/18	64776	02/23/18	Full Cespool LCC	North Country	A18-00475	-	-	Various from August - September	\$ 13,244.54	Invoices Over 90 Days	
02/23/18	64625	02/23/18	Think4UM	North Country	A18-03337	-	-	11/13/18	Whole	Invoices Over 90 Days	
02/23/18	64697	02/23/18	Jostens, Inc.	Ward Melville HS	A18-03372	12/22/17	\$ 4,992.30	02/18/18	\$ 258.39	PO Increased After Invoice Date	
	1								\$ 258.39		



**Three Village CSD
Warrant Summary
February 9, 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
190	2/9/2018	A	64444	64479	36	36	\$ 152,306.75
189	2/7/2018	A	64480	64480	1	1	\$ 3,832.50
191	2/8/2018	A	64481	64481	1	1	\$ 2,802,253.00
196	2/9/2018	A	64482	64524	43	43	\$ 1,174,808.85
195	2/9/2018	A	64525	64593	69	69	\$ 266,950.11
200	2/9/2018	A	64594	64644	51	51	\$ 23,917.11
198	2/8/2018	A	64645	64646	2	2	\$ 819.00
199	2/9/2018	A	64647	64647	1	0	\$ -
202	2/9/2018	A	64648	64648	1	1	\$ 6,356.05
188	1/31/2018	A		Wires	14	14	\$ 402,538.84
187	2/1/2018	A		Wires	2	2	\$ 2,265,875.01
110	11/1/2017	A		Wires	2	2	\$ 2,267,565.89
197	2/8/2018	C	20592	20593	2	2	\$ 1,750.18
201	2/9/2018	C	20594	20609	15	15	\$ 69,186.30
193	2/9/2018	F	10221	10221	1	1	\$ 2,415.00
192	2/9/2018	H	5174	5175	2	2	\$ 39,122.09
194	2/9/2018	OT	15300	15300	1	1	\$ 660.00
186	2/2/2018	T&A	10640	10649	10	10	\$ 25,689.84
186	2/2/2018	T&A		Wires	30	30	\$ 1,599,634.37
				Totals	284	283	\$ 11,105,680.89

* Excludes check 64647, which was voided by C&A.

** Includes check 20598, 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.

Cerini & Associates LLP

Claims Auditor

Cerini & Associates, LLP



**Three Village CSD
Warrant Summary
February 23, 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
207	2/23/2018	A	64651	64746	96	96	\$ 237,455.21
204	2/23/2018	A	64649	64650	93	93	\$ 281,052.71 *
			64747	64838			
206	2/23/2018	A	64839	64863	25	25	\$ 3,799.12
205	2/23/2018	C	20610	20616	7	7	\$ 19,470.79
210	2/23/2018	F	10222	10223	2	2	\$ 355.00
211	2/23/2018	H	5176	5180	5	5	\$ 287,506.14
209	2/23/2018	OT	15301	15303	3	3	\$ 4,546.99
203	2/16/2018	T&A	10650	10662	13	13	\$ 93,434.03
				Wires	37	37	\$ 1,682,082.67
208	2/23/2018	T&A	10663	10663	1	1	\$ 492.96
				Totals	282	282	\$ 2,610,195.62

* Includes Check 64751, 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.

Cerini & Associates LLP

Claims Auditor

Cerini & Associates, LLP



March 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 March 2018, we reviewed approximately 539 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 was 1 check that was held because the District did not provide adequate back up in the claim packet. Check number 65149 will be released when adequate back up is received.

Other Matters:

1. We noted 6 claims, 1 signed by the District, 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 3 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.
3. We noted 3 instances where the purchase order was increased after the invoice date. We spoke to accounts payable to ensure that while the purchase orders were under-encumbered, there was enough money in the budget line for the expenditure. Even so, the increased amount is essentially confirming, as the Purchasing Agent did not authorize the excess amount.

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 black ink that reads "Cerini & Associates LLP". The script is cursive and fluid, with the "LLP" being more distinct than the company name.

Cerini & Associates, LLP

Claims Auditors

Three Village CSD
Instance Schedule
March 2018

Employee Description	Department	PO #	PO Date	Original PO Amount	Invoice Date	Instance Amount	Instance	Action/Resolution
rocki Smith	North Country Admin Center	A18-01900	08/29/17	\$ 45,840.00	02/28/18	\$ 3,550.00	Unable To Verify Rate(s)/Price(s)	Voided
						\$ 3,550.00		
nsportation Corp.	Educational l Services - Main Office	A18-03661	02/01/18	-	01/31/18	\$ 682.92	Confirming Purchase Order(s)	
	Mount Elementary- Main Office	A18-03936	02/28/18	-	12/31/17	\$ 290.42	Confirming Purchase Order(s)	
n Automotive, Inc.	Maintenance	A18-03404	01/03/18	-	12/28/17 12/29/17	\$ 90.99	Confirming Purchase Order(s)	
TC Sports	Ward Melville HS	A18-00099	07/01/17	-	08/17/16	\$ 1,602.00	Confirming Purchase Order(s)	
YSASBO	Business Services	A18-03985	03/01/18	-	02/28/18	\$ 275.00	Confirming Purchase Order(s)	
TC Sports	Physical Education	A18-00046 A18-00050 A18-00106	07/01/17		08/17/16	\$ 1,215.50	Confirming Purchase Order(s)	
						\$ 4,156.83		
U.S. Audiology	Pupil Personnel Services	A18-04104	03/09/18	-	02/19/18	\$ 400.00	Confirming Purchase Order(s) - Signed	
						\$ 400.00		
ool Solutions, Inc.	Mount Elementary School	A17-01172	-	-	10/19/16	Whole	Invoices Over 90 Days	
/ Good Stuff	Mount Elementary School	A18-02202	-	-	09/21/17	Partial	Invoices Over 90 Days	
ex-Grinnell	Maintenance	A18-00637	-	-	11/27/17	Partial	Invoices Over 90 Days	
Express, Corp.	Ward Melville HS	A18-02473	10/05/17	\$ 150.00	02/19/18	\$ 38.14	PO Increased After Invoice Date	
s Marketplace	Business Services	A18-01855	08/25/17	\$ 1,000.00	03/15/18	\$ 118.90	PO Increased After Invoice Date	
Gressin P.A.	HPERA	A18-00665	07/01/17	\$ 200.00	11/03/17	\$ 100.00	PO Increased After Invoice Date	
						\$ 257.04		



**Three Village CSD
Warrant Summary
March 9, 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
214	3/9/2018	A	64864	64922	59	58	\$ 1,114,143.50 *
218	3/9/2018	A	64923	65021	99	99	\$ 315,895.73
216	3/9/2018	A	65022	65074	53	53	\$ 23,662.00
219	3/9/2018	A	65075	65080	6	6	\$ 88,770.35
221	3/9/2018	C	20617	20627	11	11	\$ 32,864.24
217	3/9/2018	H	5181	5181	1	1	\$ 35,115.00
220	3/9/2018	H	5182	5182	1	1	\$ 19,032.00
215	2/23/2018	OT	15304	15305	2	2	\$ 2,874.92
213	3/2/2018	T&A	10664	10672	9	9	\$ 25,469.15
				Wires	32	32	\$ 1,602,462.96
				Totals	273	272	\$ 3,260,289.85

* Excludes check 64891, 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.

Cerini & Associates LLP

Claims Auditor

Cerini & Associates, LLP



**Three Village CSD
Warrant Summary
March 23, 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	
223	3/19/2018	A	65081	65081	1	0	\$ -	*
224	3/19/2018	A	65082	65082	1	1	\$ 5,875.00	
229	3/23/2018	A	65083	65186	104	103	\$ 256,648.86	**
225	3/23/2018	A	65187	65258	72	72	\$ 534,037.28	
230	3/23/2018	A	65259	65293	35	35	\$ 6,225.47	
231	3/23/2018	C	20628	20631	4	4	\$ 32,460.97	
228	3/23/2018	H	5183	5183	1	1	\$ 28,315.75	
227	3/23/2018	OT	15306	15311	6	6	\$ 14,916.34	
222	3/16/2018	T&A	10673	10681	9	9	\$ 24,830.85	
				Wires	32	32	\$ 1,570,198.96	
226	3/23/2018	T&A	10682	10682	1	1	\$ 492.96	
				Totals	266	264	\$ 2,474,002.44	

* Excludes check 65081, which was voided by the District.

** Excludes check 65149, which was 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.

Cerini & Associates LLP

Claims Auditor

Cerini & Associates, LLP

Reilly, Kerry

From: Lalia, Lori
Sent: Friday, April 13, 2018 3:37 PM
To: Reilly, Kerry
Cc: Castaldo, Patricia; DeCarolis, Sherri
Subject: RE: March Report to the Board

Hi Kerry,

Check #65149 for Nawrocki Smith LLP has been voided because of an incorrect rate charged. Nawrocki submitted a revised invoice, but we are questioning one of the rates on that invoice too. We are waiting a response from the vendor.

Thank you,

Lori Lalia
Three Village Central School District
Accounts Payable
(631) 730-4070
FAX - (631) 730-4083

From: Reilly, Kerry
Sent: Friday, April 13, 2018 3:23 PM
To: Lalia, Lori <llalia@3villagecsd.k12.ny.us>; Governale, Christine <cgoverna@3villagecsd.k12.ny.us>
Subject: FW: March Report to the Board

Please see attached March audit report for your review. Please let me know if there are any changes necessary.

Thank you
Kerry

From: Christopher Maher [<mailto:cmaher@ceriniandassociates.com>]
Sent: Friday, April 13, 2018 2:54 PM
To: Castaldo, Patricia; Reilly, Kerry
Cc: Shari Diamond; Nicholle Mezier; Meghan Gee
Subject: [POSSIBLE SPOOF]March Report to the Board

Good Afternoon,

Attached is the claims audit report for the month of March for Three Village CSD. Kindly review the report and let us know if you have any questions or changes. If approved, please forward the report to Jeffrey Carlson at your earliest convenience.

Regards,

Christopher Maher
Christopher Maher
Staff Accountant