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(1950 – 2013)

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To the Board of Education
South Country Central School District
East Patchogue, New York

Dear Members of the Board:

In planning and performing our audit of the financial statements of the South Country Central School District (District) as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness

STATUS OF PRIOR YEAR'S COMMENTS

Extraclassroom Activity Funds

The extraclassroom activity funds are the depository of student money. The New York State Education Department (SED) publishes the *Safeguarding, Accounting and Auditing of Extraclassroom Activity Funds*. These guidelines recommend procedures for organizing these activities, controlling receipts and disbursements, as well as recording and reporting transactions.

During the prior year audits, within the sample of transactions we tested we had noted the following:

- One out of twenty cash disbursements did not have evidence of student involvement, and four out of twenty cash receipts did not have evidence of student involvement. We also noted that out of twenty cash receipts did not have evidence of an authorized sign off by the faculty advisor or central treasurer.

Current Year Status: Not corrected. For the twenty sample cash disbursements and the twenty sample receipts we tested, we noted there were still instances at the High School in which evidence of student involvement was not present on either the check payment request form or the deposit form.

- Some payments for purchases were made as reimbursements to faculty advisors, rather than directly to a vendor.

Current Year Status: Not corrected. There are still instances in which faculty advisors are being reimbursed.

- Some clubs did not maintain profit and loss statements for fundraising activities.

Current Year Status: Not corrected. No evidence was provided to support that profit and loss statements were being completed for clubs and activities.

- Sales tax is being remitted quarterly for the school nor 4m2(t)3e (q)57 (r)0.8u(5)1.3 (c)-4.8 c and lons.

- Certain school trip monies were collected, but no documentation for the number of students participating in the trip was available for reconciliation. In 2019-20, the District started using a third party company to handle certain trips during the current year, however, none of the trips materialized due to the pandemic.

Current Year Status: There were no school trips in 2020 – 2021 due to the continuing pandemic. The District has determined that all future overnight trips will be handled administratively through the use of a third party company.

- There were instances where there was no accounting for differences between the monies collected and the monies spent for school trips. Additionally, there was not enough supporting documentation for cash payouts for trips. In 2019-20, the District had scheduled trips and money was collected, however, those amounts were refunded since trips did not occur due to the pandemic.

Current Year Status: There were no trips in 2020–21 due to the continuing pandemic. To reduce the risk of accounting differences or lack of supporting documentation, the District has determined that all future overnight trips will be handled administratively through the use of a third party company.

Vending Machines

The District supplements their food service sales and student activities through the use of vending machines. Some vending machines are supplied by outside vendors through a contractual arrangement, and the District receives commissions.

In 2018-19, the District's internal auditors completed their report on vending machine procedures. This report assisted the District with information so that they could update their inventory list of all vending machines at the District, and to resolve the internal control issues over vending machine operations. In 2019-20, we had followed up with management and they informed us of the following status

- Vending machines on the school's premises that operated by outside clubs and activities that did not directly benefit the school were either: