

Michael E. Nawrocki  
Ernest Patrick Smith



Lauren M. Agunzo  
John K. Hoffman  
Darin V. Iacobelli  
David M. Tellier

August 7, 2018

**VIA EMAIL**

The Board of Education  
New Hyde Park-Garden City Park Union Free School District  
1950 Hillside Avenue  
New Hyde Park, NY 11040

**Re: Year-End Claims Audit Report for 2017-2018**

Board of Education:

Enclosed please find a copy of our Year-End Claims Audit Report for 2017-2018.

If you have any questions or would like to discuss this matter further, please contact our offices.

Sincerely yours,

*Lauren M. Agunzo*

---

Lauren M. Agunzo, CPA

Enclosure

Michael E. Nawrocki  
Ernest Patrick Smith



**NawrockiSmith**

CERTIFIED PUBLIC ACCOUNTANTS  BUSINESS CONSULTANTS

Lauren M. Agunzo  
John K. Hoffman  
Darin V. Iacobelli  
David M. Tellier

August 7, 2018

**VIA EMAIL**

The Board of Education  
New Hyde Park-Garden City Park Union Free School District  
1950 Hillside Avenue  
New Hyde Park, NY 11040

***Re: Year-End Claims Audit Report for 2017-2018***

Board of Education:

We have provided claim auditing services to the New Hyde Park-Garden City Park Union Free School District for the time period of July 1, 2017 through June 30, 2018. The services we performed, as outlined in our initial proposal, included reviewing all claims against the District.

The claims audit function is an integral component of a properly designed system of internal controls. The Claims Auditor is responsible for ensuring that proper documentation and authorization are provided for each claim presented to the District for payment. This responsibility includes formally examining, allowing, or rejecting all charges, claims, or demands against the District.

For ease of reference we have categorized the remainder of this report as follows:

**Claims Audit Services**

**Exhibits**

**Observations and Recommendations**

# NawrockiSmith

*Board of Education  
New Hyde Park-Garden City Park Union Free School District  
August 7, 2018*

*Re: Year-End Claims Audit Report for 2017-2018*

## CLAIMS AUDIT SERVICES

We performed the following claim audit procedures during each audit:

- Verification of the accuracy and reasonableness of invoices and claim forms.
- Ensuring proper approval of all purchases, including verification that purchase orders have been issued in accordance with Board of Education policy and applicable state laws and regulations.
- Comparison of invoices or claims to Board of Education approved contracts or quotations, as per District policy.
- Reviewing price extensions, claiming of applicable discounts, inclusion of shipping and freight charges, and exclusion of New York State sales tax.
- Approving all charges, claims, or demands that are presented for payment which are supported with documentary evidence indicating compliance with all pertinent laws, policies and regulations.

## EXHIBITS

We applied the above referenced audit procedures to 2,569 claims against the District in the amount of \$62,664,514.10 during the time period of July 1, 2017 through June 30, 2018. Based upon the audit process applied, we noted inquiries and/or observations pertaining to 6 claims, or .23% of the total claims audited, which are categorized on a monthly basis as follows:

<b>Reason For Inquiry</b>	<b>Jul-17</b>	<b>Aug-17</b>	<b>Sep-17</b>	<b>Oct-17</b>	<b>Nov-17</b>	<b>Dec-17</b>	<b>Jan-18</b>	<b>Feb-18</b>	<b>Mar-18</b>	<b>Apr-18</b>	<b>May-18</b>	<b>Jun-18</b>	<b>Total</b>
Incorrect check amount	-	1	1	-	-	-	1	-	-	-	-	-	3
Paid late fees	-	-	1	-	-	-	-	-	-	-	-	-	1
Paid sales tax	2	-	-	-	-	-	-	-	-	-	-	-	2
<b>Total Number (#) of Inquiries</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>
<b>Total Claims Audited</b>	<b>147</b>	<b>119</b>	<b>272</b>	<b>189</b>	<b>176</b>	<b>249</b>	<b>255</b>	<b>98</b>	<b>322</b>	<b>101</b>	<b>304</b>	<b>337</b>	<b>2,569</b>

# NawrockiSmith

*Board of Education  
New Hyde Park-Garden City Park Union Free School District  
August 7, 2018*

**Re: Year-End Claims Audit Report for 2017-2018**

Overall, the percentage of inquiries/observations compared to the total amount of claims audited for the fiscal school year is the lowest compared to other Districts for which we perform claims auditing services.

➤ *No recommendation at this time.*

We have observed strong clerical support within the New Hyde Park-Garden City Park Union Free School District Business Office as we noted very few, or no, occurrences of:

- Applied to incorrect budget code
- Applied to incorrect invoice number
- Discount not applied
- Duplicate payment
- Incorrect check amount
- Incorrect remittance address
- Insufficient supporting documentation
- Invoice dates preceded purchase order dates
- Invoice greater than purchase order
- Invoice over 90 days outstanding
- Missing receiving or approval signature
- Not an original invoice or receipt
- Paid late fees
- Paid sales tax
- Receipts not itemized

If you require any further information or have any questions regarding the Year-End Claims Audit Report for 2017-2018, please feel free to contact Lauren Agunzo at (631) 756-9500.

Very truly yours,

***Nawrocki Smith LLP***