

October 9, 2018

New York State Education Department  
Office of Audit Services, Room 524EB  
89 Washington Avenue  
Albany, NY 12234

Re: Corrective Action Plan – 2017-18 Audit

Dear Sir/Madame:

This is the reponse to the nonmaterial findings and evaluations contained in the audit of the Chatham Central School District for the year ended June 30, 2018.

The following is a description of the nonmaterial findings and the district response.

### **Prior-Year Conditions**

#### **1. Extraclassroom Activity Funds**

**Prior Condition:** Through testing of the Extraclassroom Activity Funds in the prior year, we noted the following:

- 1) Instances where sales tax was not charged or paid.
- 2) Instances where profit & loss statements were not completed.
- 3) Instances of fiscally inactive clubs.

**Status:** This condition has improved over prior years. In the current year we noted 2 out of 25 instances where sales tax was not paid and fiscally inactive clubs.

**Recommendation:** We recommend that the District review its procedures to ensure that all clubs are following proper requirements outlined in the NYS Pamphlet #2. Additionally, the board and management should review these clubs and determine if they should remain or be closed as per board policy.

**Response:** The district will review the inactive club and if the club is not active this year will eliminate. The district brought in the auditor to conduct a training to discuss sales tax and other responsibilities of the club advisors.

#### **2. Payroll**

**Prior Condition:** Through our testing of payroll as of June 30, 2017, we noted one instance where an employee's salary was recorded to the incorrect account. This was corrected subsequent to fieldwork.

**Status:** This condition has been corrected as of June 30, 2018.

Please feel free to contact me if you have any questions or concerns with respect to this response.

Sincerely,

Michael Chudy  
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Chatham Central School District  
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