

Pioneer Central School District

October 18, 2017



NYS Education Department
Office of Audit Services
89 Washington Ave. Room 524EB
Albany, New York 12234

This letter is to communicate Yorkshire-Pioneer Central School District's (the "District") mandatory corrective action plan in response to the external audit management letter offered by Lumsden & McCormick, LLP ("Lumsden") dated September 19, 2017.

1. Unassigned fund balance over 4%

■ The District acknowledges that unassigned fund balance in the general fund exceeds the 4% limit imposed by the State and has been strategically moving toward compliance. The District is highly dependent upon aid from the State, and any disruptions to aid will result in disastrous implications for District programs and operations and/or for our District stakeholders. Given the continued fragile and uncertain fiscal climate here in New York State, and the property tax cap mandate, the District anticipates revenue challenges over the next several school years. Unassigned fund balance will continue to assist in stabilizing District finances for a short period of time until the current revenue crisis subsides. Please note that unassigned fund balance has been used to stabilize District operations and has decreased by approximately \$2.4 million since the 2009-10 school year. The District will continue to decrease unassigned fund balance over subsequent years in a strategic manner through operations and/or funding of an established capital reserve.

2. Community Swim Cash Receipts

■ The District concurs with the observations and will examine the cost/benefit associated with establishing an effective process of cash receipts for community swim. Based upon the examination, either an improved cash receipt system will be put into place, or the community swim program may be offered as complimentary to participants.

If you have any questions or wish to discuss this response letter, please feel free to contact me at (716) 492-9303.

Thank you,

A handwritten signature in blue ink, appearing to read 'Nicholas J. Silvaroli'.

Nicholas J. Silvaroli
Assistant Superintendent of Schools
Yorkshire-Pioneer Central School District

PO Box 579
12125 County Line Road
Yorkshire, NY 14173
Phone: 716-492-9300
Fax: 716-492-9360
www.pioneerschools.org

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492-9304

Nicholas J. Silvaroli, CPA
Asst. Superintendent of Schools
492-9303