

AGENDA

BOARD OF EDUCATION • LEVITTOWN, NEW YORK

LEVITTOWN UNION FREE SCHOOL DISTRICT • TOWN OF HEMPSTEAD • LEVITTOWN, NEW YORK
www.levittownschools.com

SPECIAL MEETING

LEVITTOWN MEMORIAL EDUCATION CENTER
Wednesday, November 29, 2017

6:30 PM Meeting convenes with anticipated adjournment to Executive Session

7:30 PM Meeting reconvenes in Special Meeting followed by the Audit Committee Meeting and Planning Session

Success for Every Student

I. CALL TO ORDER

CALL TO ORDER

- A. 6:30 P.M. - Anticipated Motion to move to Executive Session.

Recommended Motion: "BE IT RESOLVED, that the Levittown Board of Education does, hereby, move to Executive Session for the purpose of discipline of a particular teacher."

- B. 7:30 P.M. Reconvene Public Session

1. Pledge of Allegiance
2. Moment of Silence

II. PUBLIC BE HEARD - AGENDA ITEMS ONLY

III. CONSENT AGENDA

1. Cullen and Danowski Engagement Letter

Enclosure

Recommended Motion: "RESOLVED, that the Levittown Board of Education does, hereby, approve the attached engagement letter from Cullen and Danowski dated November 9, 2017 for agreed-upon procedures listed therein, and;

BE IT FURTHER RESOLVED that the Board of Education President is, hereby, authorized to execute the contract."

IV. MOTION TO ADJOURN



CULLEN & DANOWSKI, LLP
CERTIFIED PUBLIC ACCOUNTANTS

JAMES E. DANOWSKI, CPA
PETER F. RODRIGUEZ, CPA
JILL S. SANDERS, CPA
DONALD J. HOFFMANN, CPA
CHRISTOPHER V. REINO, CPA
ALAN YU, CPA

November 9, 2017

Board of Education and Audit Committee
Levittown Union Free School District
Administrative Office
150 Abbey Lane
Levittown, New York 11756

Dear Members of the Board and Audit Committee:

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the Levittown Union Free School District (District).

Detailed Internal Control Testing

We will apply the agreed-upon procedures which the Board of Education (Board) and the management of the District have specified, listed below, to determine the District's effectiveness in complying with policies and procedures related to the payroll and accounting areas during the period of January 1, 2017 through November 30, 2017.

Payroll

Perform a review of the operations of the Payroll Department as follows:

- Review Board policies and District procedures related to the payroll functions.
- Interview Business Office personnel regarding policies, procedures, and systems in effect.
- Review the current payroll cycle process and identify the strengths, weaknesses, and key control attributes for testing.
- Perform a payroll reconciliation from 1 cycle to the next during this fiscal year. On a test basis, review supporting documentation for all activities in 1 of the payrolls.
- Review all collective bargaining agreements and a sample of individual employment agreements to understand the terms and conditions.
- Review payroll related activity for the time period under review as follows:
 - For contractual payments – select sample of 50 payments to ensure amount paid agrees to employee records and contract (if applicable) and compare all amounts withheld for taxes, benefits, etc. to supporting documentation.

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- For non-salary payments (i.e., hourly, stipend, overtime, etc.) during that time period – select sample of 50 payments to ensure proper approval and amount.
- For separation payments – select a sample of 5 payments to ensure final amounts are correct (i.e., retirement incentives; accumulated unused time), proper documentation is on file (i.e., retirement or resignation letter from employee, Board resolution) and compliance and specifications in the respective contract.
- For disbursements to third parties as a result of withholdings (i.e., union dues, taxes, etc.) during that time period – select all third party payments from the 2 payroll cycles selected for the reconciliation testwork and ensure all monthly payments are captured.
- For changes to the payroll module data during that time period – select a payroll change report for 2 payrolls and on a test basis ensure all edits are appropriate as well as properly approved and supported (i.e., Board approval).
- For substitute teacher payments – review and document the procedures and select these payments from 1 pay cycle during that time period to ensure accuracy and completeness, as well as reconcile these payments to the permanent teachers' absences and ensure the absence is recorded. Based on the results, determine if a reconciliation process needs to become a regular procedure.
- For 1 recent payroll, have District administrative staff confirm that the employee payroll expense is charged to the correct budget codes.

Benefits

For each type of benefit we will review the operations as follows:

- Determine that the processes and procedures in place comply with laws and regulations and that there are adequate internal controls regarding benefit activities.
- Compare the benefits and amounts withheld from employees and confirm they are appropriate. We will do this by selecting 25 participants in each plan and verifying that the billings from the vendor and the deductions from employees are proper. If the benefit program includes retiree participation, we will select 25 retirees, verify their eligibility, and ensure the accuracy of the payment.
- Review the District's reconciliation of the monthly invoice for each benefit program to the District's employee and payroll records. In the event that the reconciliation was not prepared, we will assist the District in performing the reconciliation. If necessary, we will also assist the District in automating the reconciliation process to provide greater efficiency and accuracy.

Conference Reimbursements:

- Interview Business Office personnel regarding policies, procedures, and systems in effect.
- Select 15 reimbursements and test for compliance with established procedures.

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Other Services

We will work with District staff to address open recommendations from our prior internal audit reports and assist the District in addressing ESSA regulations regarding accounting for costs by building.

This engagement is solely to assist the District in reviewing the activity of the functions listed above. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures previously described either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures previously listed do not constitute an audit, we will not express an opinion on the effectiveness of the District's functions reviewed during this engagement. In addition, we have no obligation to perform any procedures beyond those listed above.

We plan to begin our procedures during December 2017, and unless unforeseeable problems are encountered, the engagement should be completed by February 28, 2018.

Report

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of the Board of Education and management of the District, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Fee

We estimate that our fee for these services will not exceed \$25,000. This fee is based upon anticipated services to be rendered at our standard billing rates.

At the conclusion of the engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the operations of the departments reviewed during this engagement in accordance with District policies and procedures.

The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

This agreement may be cancelled by the Board of Education at any time for any reason. In the event of such cancellation, the Board shall be required to pay for all services provided prior to the date of cancellation.

Don Hoffmann, CPA, is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Attachment: AUP Nov 9 2017 Cullen & Danowski (2900 : Engagement Letter Cullen and Danowski)

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We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of each engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of procedures.

Very truly yours,

Cullen & Danowski, LLP

For the Firm:



Don Hoffmann, CPA
Partner

RESPONSE:

This letter correctly sets forth the understanding of the Levittown Union Free School District.

By: _____

Signature: _____

Title: _____

Date: _____

Attachment: AUP Nov 9 2017 Cullen & Danowski (2900 : Engagement Letter Cullen and Danowski)