

ROSLYN UNION FREE SCHOOL DISTRICT

AUDITOR'S REPORT TO THE BOARD OF EDUCATION

Presented by:
Jill S. Sanders, CPA
Cullen & Danowski, LLP
October 3, 2019



EXTERNAL AUDIT FINANCIAL STATEMENTS AND AUDITOR'S COMMUNICATIONS

- Auditor's Reports
 - Financial Statements and Supplementary Schedules with Independent Auditor's Report
 - Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
 - Extraclassroom Activity Funds Financial Statements with Independent Auditor's Report
 - Federal Single Audit Report
- Auditor's Communications
 - Communication with Those Charged with Governance – AUC 260
 - Management Letter

AUDITOR'S REPORTS

Independent Auditor's Report on Financial Statements – UNMODIFIED OPINION

- **In our opinion, the financial statements referred to above present fairly, in all material respects,** the respective financial position of the governmental activities, each major fund and the fiduciary funds of the Roslyn Union Free School District, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

- **The results of our tests disclosed no instances of noncompliance or other matters** that are required to be reported under *Government Auditing Standards*.

FINANCIAL HIGHLIGHTS

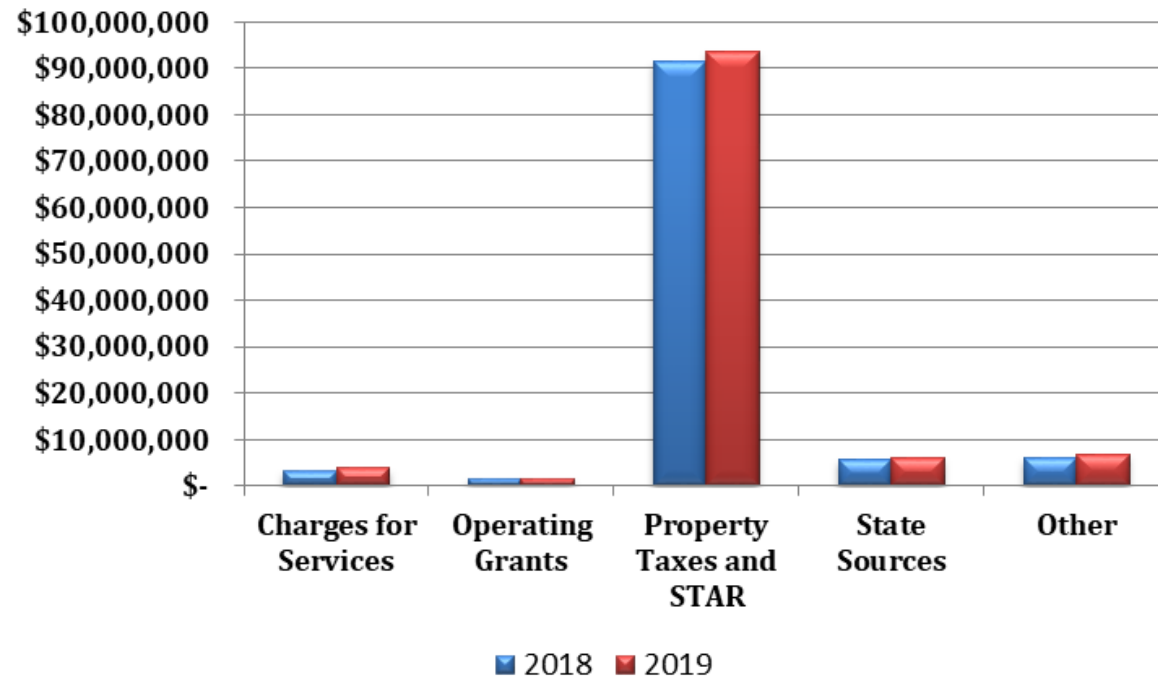
- The general fund was able to retain unassigned fund balance at 3.99% of the ensuing year's budget and is in compliance with New York State Real Property Tax Law §1318.
- The District has funded, in the aggregate, \$10,000,000 into the 2015 construction capital reserve, of which \$8,007,288 has voter authorization for spending as of June 30, 2019.
- The District has funded, in the aggregate, \$6,577,438 into the 2017 construction capital reserve, which has a funding cap of \$25,000,000.
- General fund, debt service fund and capital projects fund reserves are in accordance with General Municipal Law, Education Law, and Board of Education authorizations.

FINANCIAL REPORTING HIGHLIGHTS

- In fiscal year 2018, the District implemented **GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions***. The implementation of the Statement requires the District to report other postemployment benefits liabilities, expenses and deferred outflows of resources and deferred inflows of resources. The effects of reporting the valuation amount of \$193,031,304 contributes to, for accrual basis purposes, the net position deficit of \$70,892,934 **for reporting purposes only**. The District funds for its share of healthcare benefits through annual budgetary appropriations; furthermore, there is no mechanism for funding for the total other postemployment benefits obligation.

DISTRIBUTION OF REVENUES FOR THE TWO YEARS ENDED

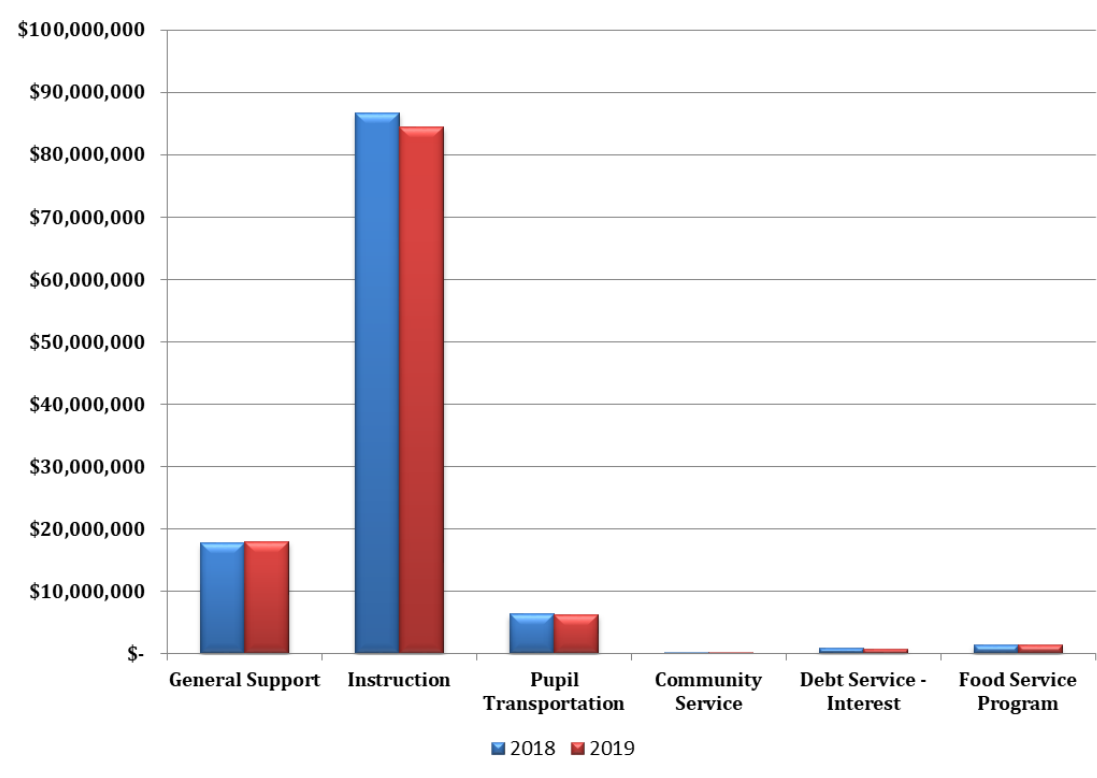
June 30, 2018 and 2019



	Charges for Services	Operating Grants	Property Taxes and STAR	State Sources	Other
2018	3.1%	1.5%	84.3%	5.4%	5.7%
2019	3.5%	1.4%	83.5%	5.4%	6.2%

DISTRIBUTION OF EXPENSES FOR THE TWO YEARS ENDED

June 30, 2018 and 2019



	General Support	Instruction	Pupil Transportation	Community Service	Debt Service - Interest	Food Service Program
2018	15.7%	76.6%	5.6%	0.0%	0.8%	1.3%
2019	16.2%	76.1%	5.7%	0.0%	0.7%	1.3%

EXTRACLASSROOM ACTIVITY FUNDS

- Cash basis of accounting.
- Procedures are established to conform to the Regulations of the Commissioner of Education.
- Clubs authorized by the Board of Education.
- Financial reports provided to the Board of Education throughout the year.

	<u>Nearest Hundred Dollars</u>
Cash Balance at July 1, 2018	\$ 142,000
Receipts and Transfers	239,000
Disbursements and Transfers	<u>(247,000)</u>
Cash Balance at June 30, 2019	<u><u>\$ 134,000</u></u>

OTHER COMMUNICATIONS

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE – AUC 260

- Planned scope and timing of audit as agreed.
- No difficulties encountered in performing the audit.
- None of the proposed audit adjustments (three in total) indicate matters that could have a significant effect on the District's financial statements as a whole.
- No disagreements with management.
- There are no material weaknesses or significant deficiencies.

MANAGEMENT LETTER

- One management letter comment regarding extraclassroom activity funds procedures.

FEDERAL SINGLE AUDIT

- The District received and expended \$1,339,714 in federal funding for educational programs. The District received federal reimbursements of \$264,065 for meals served.
- The single audit determination has been completed. The major program being audited is the special education cluster. Audit procedures are in progress.
- Federal Single Audit reports are to be completed by February 2020 for submission to the Single Audit Clearinghouse by March 31, 2020 (due date).