

October 12, 2023

CONFIDENTIAL

The Board of Education  
Port Jefferson Union Free School District

Dear Board Members:

We have audited the financial statements of the Port Jefferson Union Free School District (the District) for the year ended June 30, 2023, and have issued our report thereon dated October 12, 2023. Considering the test character of our audit, you will appreciate that reliance must be placed on adequate methods of internal control as your principal safeguard against irregularities which a test examination may not disclose. We now present for your consideration our comments and recommendations based upon observations made during our audit.

This report is intended solely for the information and use of the Board, management and others within the District.

Status of Prior Year Recommendations

We reviewed the disposition of recommendations included in our letter dated October 18, 2022. The following is a summary of the actions taken by the District with regards to our recommendations.

Inventory and Capitalization Policy Thresholds

The District had a policy of recording inventory and capitalizing purchases with a cost over \$1,000 and \$2,000, respectively. This threshold was considered low when compared to other school districts. Additionally, this threshold results in additional staff time to track. We recommended that the District raise the threshold for both inventory and capitalizing assets to costs over \$5,000. The District updated its policy. This comment is cleared.

Payroll Procedures Policy

During our review of District policies, we noted in the payroll procedures policy a sentence that stated "A periodic test will be conducted to verify accuracy and appropriateness of District payrolls." We discussed this item with management who stated they do not perform any specific test or set of procedures but instead this is performed by the District's claims auditor. We recommended that this policy be amended to clarify whom performs the test as well as what procedures are to be performed. The District updated its policy. This comment is cleared.

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We wish to take this opportunity to express our appreciation for the courtesy and cooperation extended to us by the District's personnel during our audit. If you have any questions regarding the foregoing comments or wish any assistance in their implementation, please contact us at your convenience.

Very truly yours,

EFPR Group, CPAs, PLLC

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