



HICKSVILLE UFSD

Claims Audit Presentation
September 13, 2021



Claims Audit Role

1. Ensuring proper purchasing procedures are followed and every claim is in accordance with General Municipal Law (GML) and the District's Purchasing Policy
2. Ensuring that for all of the District's disbursements, the following internal controls are in place:
 - The Purchasing Agent's signature is on the PO with the proper authorization
 - The receiving copy of the PO is signed and dated, acknowledging that materials or services were received
 - The extensions are correct, no unauthorized tax is paid, and transportation charges are accurate
 - Proper bids and quotes are obtained and prices are verified against the proper bid, contract, or quote
 - The charges are not duplicates of an item(s) already paid
 - The price billed does not exceed the bid or contract authorization
 - Expenditures were charged to the accurate budget code
 - The signer of the check is an authorized signer
 - The payee per the check is the same on the invoice and the warrant
3. Noting all instances that fall outside the GML or District policy. These include, but are not limited to:
 - Confirming purchase orders
 - Purchasing items without proper bids or quotes
 - Absence of Board approval as required by District policy

Claims Summary

July 1, 2020 – June 30, 2021

12-Month Summary			
	# of	% of	% of
<u>Claims Audit Issue</u>	<u>Instances</u>	<u>Claims</u>	<u>Instances</u>
Findings:			
Additional Back Up Requested	1	0.02	12.50
Sales tax included in check	1	0.02	12.50
Total Issues:	2	0.04	25.00
Other Matters:			
Confirming purchase orders	5	0.11	62.50
Confirming purchase orders - signed by District	1	0.02	12.50
Total Other Matters:	6	0.13	75.00
TOTAL NUMBER OF INSTANCES	8	0.17	100.00
TOTAL CLAIMS AUDITED (excluding Medicare)	4,709		

- Total of claims reviewed for fiscal 2021: \$149,119,652.70.
- Total Medicare Part B Reimbursement checks reviewed: 441 checks, \$1,251,305.70
- Medicare checks are done once a year, generally in March

Summary by Quarter

July 1, 2020 – June 30, 2021

	1st Quarter Totals			2nd Quarter Totals			3rd Quarter Totals			4th Quarter Totals		
	# of Instances	% of Claims	% of Instances	# of Instances	% of Claims	% of Instances	# of Instances	% of Claims	% of Instances	# of Instances	% of Claims	% of Instances
Claims Audit Issue												
Findings:												
Additional Back Up Requested	1	0.09	33.33	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00
Sales tax included in check	0	0.00	0.00	0	0.00	0.00	1	0.09	100.00	0	0.00	0.00
Total Issues:	1	0.09	33.33	0	0.00	0.00	1	0.09	100.00	0	0.00	0.00
Other Matters:												
Confirming purchase orders	2	0.19	66.67	1	0.08	100.00	0	0.00	0.00	2	0.17	66.67
Confirming purchase orders - signed by District	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	1	0.09	33.33
Total Other Matters:	2	0.19	66.67	1	0.08	100.00	0	0.00	0.00	3	0.26	100.00
TOTAL NUMBER OF INSTANCES	3	0.28	100.01	1	0.08	100.00	1	0.09	100.00	3	0.26	100.00
TOTAL CLAIMS AUDITED (excluding Medicare)	1,058			1,319			1,158			1,174		

Claims Instances

July 1, 2020 – June 30, 2021

Findings:

- **Additional Back-up Requested** (1 instance)
 - Dollar amount of the instance was \$347.02.
 - These account for approximately 0.02% of all claims reviewed.
- **Sales Tax Included in Check** (1 instance)
 - Dollar amount of the instance was \$33.42.
 - These account for approximately 0.02% of all claims reviewed.

Other Matters:

- **Confirming purchase orders** (5 instances from the General Fund)
 - Dollar amount of the instances were \$13,043.02.
 - These account for approximately 0.11% of all claims reviewed.
- **Confirming purchase orders – Signed by District** (1 instance from the General Fund)
 - Dollar amount of the instances were \$72.00.
 - These account for approximately 0.02% of all claims reviewed.

Proactive Measures Implemented by the District

- ✓ Management continues to educate its staff on the District's purchasing policies and practices so that all authorizing administrators understand and abide by the District's purchasing policies.
- ✓ The Business Office staff continues to come to us with any claims related questions they have prior to processing their claims.

Contact Information

Shari Diamond, CIA
Partner, Internal Audit
sdiamond@cerinicpa.com
631-868-1143

Nicholle Mezier, CPA
Manager
nmezier@cerinicpa.com
631-868-1141

Cerini & Associates, LLP
3340 Veterans Memorial Hwy
Bohemia, NY 11716
631-582-1600
www.ceriniandassociates.com