

Plum Borough School District
Central Administration
900 Elicker Road
Plum, Pennsylvania 15239

Superintendent
Dr. Timothy S. Glasspool

Assistant Superintendent
Dr. Guy Rossi

Director of Business Affairs
Mr. Eugene Marraccini

Director of Administrative
Services
Mr. Michael Brewer

Athletic Director
Mr. Bob Alpino

Director of Educational
Technology
Mr. Chris Burkey

Facilities Supervisor
Mr. Bob Holleran

Food Service Supervisor
Mrs. Maryann Lazzaro

Transportation Manager
Mr. Scott Mergen

Director of Special Education &
Pupil Services
Mrs. Kathi Graczyk

To: Plum Borough School District Board of Directors
From: Dr. Glasspool and Mr. Marraccini
Date: April 2, 2015
Ref: Administration's response to Management Letter for the 2013-14 Financial Audit

Dear Board Members,

Central Administration respectfully submits its response to the 2013-2014 Independent Auditor's Management Letter prepared by Mr. Robert Coon of Bielau, Tierney, Coon & Company, P.C, which was discussed at the March 2015 Finance Committee Meeting.


Mr. Coon's comments and suggestions and Central Administration's responses are as follows:

1. Item: "Financial Statements"


- Auditor's Comment: "There are numerous payroll withholding accounts relating to benefits in the general ledger that contained debit or credit balances at June 30."
- Management's Response: Central Office will reconcile all accounts in ProSoft prior to June 30.
- Auditor's Comment: "The workers compensation and unemployment compensation liability general ledger accounts had balances at year end that required allocation to the expenditure accounts."
- Management's Response: Central Office will make necessary adjustments prior to June 30.

If you have any questions, please contact Dr. Glasspool or Mr. Marraccini.

Respectfully submitted,



Dr. Timothy S. Glasspool, Superintendent of Schools



Mr. Eugene J. Marraccini, Director of Business Affairs

Attachment: Copy of 2013-2014 Audit Management Letter

School Board
Plum Borough School District

We have audited the financial statements of the Plum Borough School District as of and for the year ended June 30, 2014 and have issued our report dated March, 2015 in accordance with auditing standards generally accepted in the United States of America and offer the following comments.

Financial Statements

There are numerous payroll withholding accounts relating to benefits in the general ledger that contained debit or credit balances at June 30. It was determined during our analysis the accounts nearly offset each other in total. A review could be made of the invoice coding to determine if the invoice is being posted to the same general ledger account as the payroll withholding. Also to be considered would be combining and eliminating some of the withholding accounts. We would be able to assist in the analysis if requested.

The workers compensation and unemployment compensation liability general ledger accounts had balances at year end that required allocation to the expenditure accounts. The percentage allocations to expenditure accounts that are being used in ProSoft should be revised to match the actual expenditures.

New Pronouncement

GASB Statement No. 68 is effective for fiscal years beginning after June 15, 2014.

Under GASB 68:

- Each school district recognizes its proportional share of the collective net pension liability provided by PSERS.
- The difference between actual plan contributions made by the school district related to the contractual required contributions up to the measurement date and the school districts proportionate share of the collective employer contributions is recognized by the school district as: a deferred outflow/inflow of resources (balance sheet) in the period of the difference and a part of pension expense.

DRAFT

In closing, we would like to thank you for engaging us as your auditors. We appreciate the courtesies and cooperation extended to us by District personnel during our engagement. We would be pleased to discuss these comments with you.

This communication is intended solely for the information and use of management, the School Board and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Very Truly Yours,

BIELAU, TIERNEY, COON & COMPANY, P.C.

By:
Certified Public Accountants