

TOSKI, SCHAEFER & CO.,P.C.
CERTIFIED PUBLIC ACCOUNTANTS

300 ESSJAY ROAD
WILLIAMSVILLE, NY 14221
(716) 634-0700

14 CORPORATE WOODS BLVD.
ALBANY, NY 12211
(518) 935-1069

September 30, 2011

CONFIDENTIAL

The Members of the Board of Education
Sachem Central School District:

Dear Board Members:

We have audited the financial statements of the Sachem Central School District (the District) for the year ended June 30, 2011, and have issued our report thereon dated September 30, 2011. 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.

Inactive Capital Projects

The project length schedule lists 32 projects, 24 of which had no activity recorded in the last two years. These projects appear to be inactive and should be reviewed with a determination made as to their completion status. Completed projects should be closed out and removed from the schedule. A determination for the use of the residual funds in those projects will also need to be made. The remaining active projects should be periodically reviewed on a quarterly or semiannual basis to keep inactive projects from accumulating in the Capital Projects Fund.

Previous Recommendations

We reviewed the disposition of recommendations included in our letter dated October 6, 2010. The following is a summary of the action taken by the District with regard to the recommendations.

Employee Personnel Files - In 2010, we noted that employee personnel files were not uniformly organized and often lacked complete documentation. We recommended that the Human Resources Department update procedures for completing employee personnel files. In 2011, we noted that all tested employee personnel files were complete. The issue has been resolved.

Extraclassroom Activity Funds - Lack of Accounting System - In 2010, we noted that the District's 18 Extraclassroom Activity Funds use a variety of methods to track and record financial activity. We recommended that the District provide a software package to the various treasurers to improve financial control and reporting. In 2011, a policy was enacted to require all Extraclassroom Fund treasurers to implement use of a standardized accounting package no later than July 1, 2011. The issue has been resolved.

Accounts Payable - In 2010, certain items that should have been included as accounts payable were not, and an item that was included in accounts payable was not received until after June 30, 2010. We recommended that the District adhere to their policy in the recognition of year-end payables. In 2011, accounts payable were properly presented at year-end. The issue has been resolved.

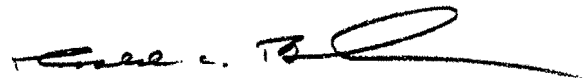
General Fixed Assets and Long-Term Debt - In 2010, we noted that the District does not maintain ledgers within its accounting software for fixed assets and long-term debt. We recommended that proper accounting records be maintained for all aspects of the District's business, including the fixed asset and long-term debt account groups. In 2011, the District opened two new funds in its' accounting software to specifically account for fixed assets and long-term debt. The issue has been resolved.

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

Very truly yours,

TOSKI, SCHAEFER & CO., P.C.



Ronald C. Toski, CPA
Managing Director