North Shore Schools
Audit Committee Meeting
April 16, 2026
7:22 p.m.
Middle School Cafeteria

Present: Trustees Andrea Macari, Lisa Colacioppo, Lisa Cashman, Jessica Dillon, Brian Hanley, Maria Mosca, and James Svendsen
Committee Members: Mr. Roger Friedman and Mr. Richard Persaud
Superintendent Dr. Christopher Zublionis and Assistant Superintendents Dr. Carol Smyth and Mr. James Pappas.
Claims Auditor Ms. Denise Longobardi, Internal Auditor Mr. Dimitris Bantileskas of Nawrocki Smith and External (Independent) Auditor Mr. Alan Yu of Cullen and Danowski

Ms. Longobardi reviewed the 2025-26 claims audit year to date report. She reported that there have been only 5 exceptions of 4164 checks processed through March 2026. This is a .10 of 1% check error rate and a dollar error percentage of .109%. She remarked that the staff of the business office continues to work hard to present packages that are in order and ready for her to review. She praised the business office for having an open communication with her and congratulated Mr. Pappas and the Board for the continued good reports.

Mr. Bantileskas presented the results of the risk assessment report, part of the internal audit function. His firm reviewed 92 sub-categories and did extensive analysis. Of the 92 categories, 85, or 92% had a low risk rating and there were zero high risk ratings. He reported the risk profile is very positive, indicating internal controls are in place. He stated that the District should be very proud of the team. The firm had two recommendations; one pertaining to payroll their recommendation is a pre-approval overtime form. The second recommendation in the area of human resources is to extend the utilization of Frontline Absence Management System to be used for all employees, not just instructional employees.

Mr. Pappas noted that the District is already using a pre-approval overtime form, this recommendation is to expand its use to all buildings/departments. President Macari wondered why Mr. Bantileskas would recommend the District use a specific product for absence management. Mr. Bantileskas explained the District is already using this product, his recommendation is to use the product to its full capability. Mr. Friedman asked about the cost to implement additional personnel to the Frontline system. Trustee Colacioppo asked why they are making these recommendations when there was no risk found in these areas. Mr. Bantileskas explained these are areas identified in other districts or highly recommended by the state comptroller's office. Mr. Friedman asked why both of these items went from low risk last year to medium risk. Mr. Bantileskas explained based on the analysis this year, and testing on payroll overtime as well as attendance, they determined it was medium risk. Mr. Persaud asked if cybersecurity should be an area to look at. Mr. Bantileskas explained this is an area that they have already reviewed and was reviewed by an outside company. He further explained there were several recommendations that are being addressed, but this takes time. He noted that cybersecurity is a risk area that will always be a threat due to AI technology and therefore they always need to be on high alert.

Mr. Yu reviewed the Federal Single Audit which is required to be completed and submitted to the state within 9 months of the close of the fiscal year. Mr. Yu reported no findings, no material weaknesses or deficiencies from the two previous years, which makes the District a low risk auditee for which he commended management. Mr. Yu explained that the threshold for requiring a federal single audit for the coming year will be increased to $1 million, however the District exceeds that total in federal grants so they will fall within that threshold. Mr. Yu also explained that when the federal government stopped providing free lunch for all students, New York State stepped in to provide a free meal program for all students, not just those “eligible” for free lunch.

Mr. Yu then reviewed the audit plan for fiscal year ending June 30, 2026. Beginning with the Engagement Objectives (Audit of Financial Statements & Federal Single Audit); The Audit Engagement; Auditor’s and District’s Responsibilities; Audit Methodology and Approach (Audit Planning, Risk Assessment, and Internal Controls Evaluation; Substantive Testing; Completion & Reporting), Timetable (May 2026-March 2027). He then reviewed New Accounting Standards: GASB Statement No. 101-Compensated Absences (Year 2); GASB 103-Financial Reporting Model Improvements (effective fiscal year ending June 30, 2026) – to enhance financial reporting by providing essential information for decision-making and assessing the government’s accountability; GASB 104-Disclosure of Certain Capital Assets (effective fiscal year ending June 30, 2026); GASB 105 – Subsequent Events (effective fiscal year ending June 30, 2028) – establishes comprehensive requirements for identifying, recognizing, and disclosing subsequent events for governments; when effective, it will affect how the District evaluates events occurring after year end but before the financial statements are available to be issued. Finally, Mr. Yu reviewed the changes to how the financial statements will be presented.

At 8:02 p.m. the meeting was adjourned.

By: Eizabeth Ciampi
District Clerk