

# District Office



October 5, 2022

Buffamante Whipple Buttafaro, P.C.  
130 South Union Street  
Suite 200  
Olean, New York 14760

Dear Ladies and Gentlemen:

In response to your letter to the Board of Education, Elmira Heights Central School District dated October 5, 2022, concerning the audit of the Extraclassroom Activity Funds for the year ended June 30, 2022, we submit the following response.

## **Gross Margin Analysis**

The District may wish to implement a process where profitability/gross margin expectations are developed prior to the commencement of each fundraiser. At the conclusion of the fundraiser, the actual results could then be compared to that expected. This gross margin analysis would serve the purpose of determine whether actual profits are in line with that estimated, along with determining whether the fundraiser was ultimately successful.

***District's response:** The District will discussion this recommendation with all Extraclass Advisors and investigate practicality of implementing a gross margin analysis for extraclass fundraisers once completed. Martha Clark, Business Executive is responsible for implementation and anticipated completion of this corrective action is June 30, 2023.*

The District continues to be diligent in analyzing and correcting matters of internal control as they occur and by reviewing the internal and external management letters

Sincerely,

Martha Clark  
Business Official

Cc: Michael Gill  
Board of Education  
New York State Education Department  
New York State Office of the State Comptroller