

NORTH ROSE-WOLCOTT CENTRAL SCHOOL DISTRICT

NEW YORK

***COMMUNICATING INTERNAL CONTROL
RELATED MATTERS IDENTIFIED IN AN AUDIT***

For Year Ended June 30, 2016

Raymond F. Wager, CPA, P.C.
Certified Public Accountants

Shareholders:

Raymond F. Wager, CPA
Thomas J. Lauffer, CPA
Thomas C. Zuber, CPA

Members of
American Institute of
Certified Public Accountants
and
New York State Society of
Certified Public Accountants

September 12, 2016

To the Board of Education
North Rose-Wolcott Central School District, New York

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Rose-Wolcott Central School District, New York as of and for the year ended June 30, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered the North Rose-Wolcott Central School District, New York's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However material weaknesses may exist that have not been identified.

Prior Year Deficiency Pending Corrective Action:

Segregation of Duties –

Our review of Business Office procedures revealed that the individual responsible for the general ledger function also, posts journal entries, prepares bills, prepares deposits, and performs the accounts receivable function.

The District has developed various mitigating controls over the Treasurer's position, however, we recommend the District continue to review this area to determine if there are additional controls which can be developed to further enhance the internal controls over the Treasurer's position.

Current Year Deficiency Pending Corrective Action:

Technology Equipment –

During our examination we selected certain technology equipment items such as iPads and MacBooks to determine if those items were recorded on the District's IT inventory listing. We noted 14 items did not get added to the IT listing.

We recommend the District update their IT equipment inventory on a regular basis and submit it to an individual independent of that process to ensure IT equipment is added and can be properly tracked.

Prior Year Recommendations:

We are pleased to report the following prior year recommendations have been implemented to our satisfaction:

1. The School Lunch Fund had an operating gain of \$52,798 during the 2015-16 fiscal year.
2. A contract for third party administrator FSA/HRA plans was created by the District.
3. The District has notified personnel not to use the form with the old quotation requirements.

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

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We wish to express our appreciation to the business office staff for all the courtesies extended to us during the course of our examination.



September 12, 2016