

October 6, 2020

To the Board of Education and Superintendent of
New York Mills Union Free School District
New York Mills, New York

In planning and performing our audit of the financial statements of the New York Mills Union Free School District's (the District) Extraclassroom Activity Funds as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion 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.

However, during our audit, we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The list that accompanies this letter summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated October 6, 2020, on the financial statements of the New York Mills Union Free School District.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various District personnel, and we will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

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NEW YORK MILLS UNION FREE SCHOOL DISTRICT

COMMUNICATION OF MANAGEMENT LETTER COMMENTS

1) Observation:

Currently the bank reconciliations are not consistently signed and dated by the preparer indicating when the reconciliation was completed. In addition, review by an independent third party is not always completed timely.

Recommendation:

We recommend all monthly bank reconciliations be prepared within the first 2 weeks of the following month. The preparer should both sign and date indicating their completion of the reconciliation. Furthermore, management should determine an appropriate and timely due date for monthly bank reconciliations to be provided to an independent third party for review.

2) Observation:

We noted that in two instances the Disbursing Order was not signed by the Student Activity Treasurer.

Recommendation:

We recommend that the Activity Treasurer review and sign each Disbursing Order upon completion.

3) Observation:

The New York State Comptroller recommends that cash is deposited as soon as possible. In twenty instances, deposits did not appear to be made timely.

Recommendation:

We recommend that deposits be made within 72 hours of receipt of the funds.

4) Observation:

We noted that in four instances the Disbursing Order was not signed by the Student Activity Treasurer due to schools closing during COVID-19.

Recommendation:

We recommend that the Central Treasurer ensures all forms are completed and in compliance with procedures. We also recommend establishing an alternative procedure to ensure student signatures can be obtained remotely.

We would like to acknowledge the cooperation and the professional conduct of the business office personnel and thank all of the School District personnel for the courtesy received during the course of our audit. Should you have any questions regarding the matters presented, we shall be pleased to discuss them at your convenience.