



September 30, 2024

To the Board of Education
Baldwin Union Free School District
Baldwin, New York

Dear Members of the Board:

In planning and performing our audit of the financial statements of Baldwin Union Free School District (District) as of and for the year ended June 30, 2024, we considered the District's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions concerning those matters. This letter does not affect our report dated September 30, 2024, on the financial statements of the Baldwin Union Free School District.

The accompanying comments and recommendations are intended solely for the use and information of the Board of Education, Audit Committee, management, and others you deem appropriate within the District, as well as any governmental authorities you need to share this information with and it is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Cullen & Danowski, LLP

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STATUS OF PRIOR YEAR COMMENTS

Extraclassroom Activities Fund

The extraclassroom activities fund are the depository of student money. The primary purpose of these activities is to provide a learning experience to students. The New York State Education Department publishes guidelines titled *Safeguarding, Accounting and Auditing of Extraclassroom Activities Fund*; these guidelines recommend procedures for organizing extraclassroom activities, controlling receipts and disbursements, as well as recording and reporting transactions.

Last year, we noted the following within the sample of transactions we tested:

High School

- Five disbursements for a purchase for which the club was not charged sales tax.
- One disbursement was missing the club advisor signature and five receipts did not have the central treasurer signature on the Student Activity Deposit Form.
- One receipt did not have a signature signifying student involvement.
- Seven clubs had no cash transactions during the year.

Middle School

- Four disbursements for purchases for which the club was not charged sales tax.
- One receipt did not have a signature signifying student involvement.
- Six clubs had no cash transactions during the year.

During the current year audit, we noted the following within the sample of transactions we tested:

High School

- Seven disbursements for purchases for which the club was not charged sales tax.
- One disbursement was missing the student treasurer signature
- Two receipts did not have a signature signifying student involvement.

Middle School

- Eight disbursements for purchases for which the club was not charged sales tax.
- One receipt did not have a signature signifying student involvement.
- Three receipts did not have timely deposits.

We recommend the District review the transactions for the extraclassroom activities to ensure they are in compliance with the recommended New York State Guidelines.

Baldwin Union Free School District

For the Year Ended June 30, 2024

Fund Balance – School Food Service Fund

Under Federal Regulation, 7CFR Part 210.14b, the District is to limit its net cash resources within the school food service fund to an amount that does not exceed three months average expenditures. If there are excessive cash resources available, the District must be in a position to describe the planned use of these funds.

During the prior year audit, we noted the assigned unappropriated fund balance in the school food service fund exceeded three months average expenditures by approximately \$51,000. The US Department of Agriculture (USDA) recently changed its guidelines and approved the SED to increase the net cash resources limitation to six months average expenditures, effective July 1, 2024. During our current year audit, we noted that fund balance exceeded the six months average expenditures by approximately \$11,150.

Status: We continue to recommend the District continue to monitor its assigned unappropriated fund balance in order to be in compliance with Federal Regulation, 7 CFR Part 210.14b.

CURRENT YEAR COMMENTS

There are no current year comments to report.