

**CALEDONIA - MUMFORD CENTRAL SCHOOL DISTRICT
NEW YORK**

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

For Year Ended June 30, 2024



BUSINESS
ADVISORS
AND CPAS



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ADVISORS
AND CPAS

September 27, 2024

To the Board of Education
Caledonia-Mumford Central School District, New York

In planning and performing our audit of the financial statements of Caledonia-Mumford Central School District as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered Caledonia-Mumford Central School 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 Caledonia-Mumford Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Caledonia-Mumford Central School District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated September 27, 2024 on the financial statements of the District. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. Our comments are summarized as follows:

Prior Year Deficiency Pending Corrective Action:

School Lunch Fund –

During the course of our examination, we noted that the fund balance in the School Lunch Fund at June 30, 2024 totaled \$211,620. This balance appears to be in excess of the three months average expenditures level recommended by Federal Regulation #7 CFR Part 210.14(b) in the amount of \$19,797.

We recommend the District continue to develop the corrective action necessary for compliance with the Federal Regulation.

Current Year Deficiencies in Internal Control:

Disbursements –

During the course of our examination, we noted seven instances in which the purchase order was dated subsequent to the invoice date.

In order to enhance control over the cash disbursements process, we recommend that a properly authorized purchase order be issued prior to the purchase being made unless the purchase is deemed emergency in nature.

(Current Year Deficiencies in Internal Control) (Continued)

Budget Transfers –

The Board of Education has the authority to transfer funds between noncontingent account codes, and from noncontingent account codes to contingent codes, but not from contingent account codes to noncontingent account codes. During the current fiscal year, the District increased noncontingent budget codes in the amount of \$601,053 for purchases not considered ordinary contingent expenses.

We recommend the District review this item and not make budget transfers from contingent account codes to noncontingent account codes in the future.

Other Item:

The following item is not considered to be a deficiency in internal control; however, we consider it an other item which we would like to communicate to you as follows.

Federal Programs –

As a result of recent federal program changes, the District documents various Federal Program procedures through written questionnaires prepared by the Program Coordinators and the Business Office. Recent guidance from the New York State Education Department suggests Federal recipients should enhance their written documentation into a written procedural manual that is more detailed and specific to each federal program's compliance requirements.

Prior Year Recommendation:

The following prior year recommendation has been implemented to our satisfaction:

1. It appears that funds encumbered at year end relate to purchases that had been placed but not received as of year end.

* * *

We believe that the implementation of these recommendations will provide Caledonia-Mumford Central School District with a stronger system of internal control while also making its operations more efficient. We will be happy to discuss the details of these recommendations with you at your convenience.

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.

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

Rochester, New York
September 27, 2024

Mengel, Metzger, Barw & Co. LLP