

GENEVA CITY SCHOOL DISTRICT

NEW YORK

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

For Year Ended June 30, 2023



BUSINESS
ADVISORS
AND CPAS



BUSINESS
ADVISORS
AND CPAS

September 25, 2023

To the Board of Education
Geneva City School District, New York

In planning and performing our audit of the financial statements of Geneva City School District as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered Geneva City 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 Geneva City School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Geneva City 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 25, 2023 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 Deficiencies Pending Corrective Action:

Quotations –

During the course of our examination, we noted two instances in which purchases made for a fusion pusher and classroom supplies did not have the required number of written quotations, as required by the District's procurement policy.

We recommend the District continue in its efforts obtain the required number of written quotations as outlined in the District's procurement policy.

(Prior Year Deficiencies Pending Corrective Action) (Continued)

Payroll –

As part of the internal controls over payroll the District utilizes salary notices to document the employees understanding of their compensation. During our examination of the salary notices we noted seven instances in which the salary notices for mid-year changes were not signed and returned by employees.

We recommend the District consider implementing a process which requires a follow up to ensure signed salary notices for all employees are received.

School Lunch Fund –

Federal Regulation #7CFR 210.14 recommends the School Lunch Fund balance not exceed three months of average expenditures. The school lunch program's fund balance exceeded this amount by \$327,345.

We recommend the School Lunch Fund balance continue to be monitored for compliance with the Federal Regulation.

Current Year Deficiency in Internal Control:

Budgetary Amendments –

The Board of Education can amend the District budget for ordinary contingent expenditures during the year. However, we noted that the District increased their equipment budget totaling \$123,152, however, there was no clear indication that the Board declared these increases as ordinary contingent expenditures.

We recommend the Board of Education clearly identify those equipment items that are considered ordinary contingent expenditures prior to increasing the budget in those areas.

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 compliance requirement.

Prior Year Recommendations:

The prior year recommendations have been noted above.

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We believe that the implementation of these recommendations will provide Geneva City 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.

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
September 25, 2023