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**Conestoga Valley School District**  
**Audit Inquiry Responses & Regional District Feedback Summary**

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**Audit Inquiry Responses**

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**Is the June 30, 2025, audit completed and, if so, may we receive a copy?**

The audit for the year ended June 30, 2025, has not yet been completed.

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**When will you be ready for the auditors to begin fieldwork after year-end?**

We are typically prepared for auditors to begin fieldwork during the last two weeks of August.

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**How much time did the auditors spend on-site versus remotely?**

The auditors are typically on-site for approximately eight days at the outset of fieldwork. They then return several weeks later, around mid-September, to complete and finalize the audit.

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**Do you anticipate any significant changes in financial activity (e.g., new grants, debt issuances) compared to prior years?**

We do not anticipate issuing a new bond prior to the close of the current fiscal year. However, we anticipate a smaller bond issuance of approximately \$15,000,000 at the end of fiscal year 2026–2027 or early 2027–2028.

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**What is the pricing structure of the most recent audit services contract?**

2024–2025: \$26,000

2023–2024: \$25,000

2022–2023: \$24,000

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**Do you track the activity of your private-purpose trust and custodial funds within your general ledger software?**

Yes. These transactions are recorded in the Skyward financial software system.

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**Did the prior audit firm submit any additional invoices exceeding the agreed-upon engagement fees? If so, for how much?**

No additional services were requested, and no additional invoices were submitted.

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**How many audit adjusting journal entries were posted for the year ended December 31, 2025? Were they determined by the School District or the auditor?**

A minimal number of adjusting entries were posted after fieldwork.

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**Are financial records available in electronic format? If so, what accounting software is used?**

Yes, financial records are available in electronic format. Conestoga Valley School District uses Skyward as its accounting software.

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**Is the District capable of and willing to provide requested reports and documentation in electronic format?**

Yes.

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**Are financial records centralized or maintained at multiple locations?**

Financial records are centralized and maintained in the Business Office.

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**Does the School District maintain detailed written policies and procedures regarding internal controls across various operating cycles?**

Yes.

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**Were any bonds or notes issued during the year ended December 31, 2025?**

Yes. A General Obligation Bond, Series of 2025, was issued in July 2025 in the amount of \$14,995,000.

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**From the RFP, we understand the auditors prepare depreciation reports. Is this maintained internally or by an external company?**

Conestoga Valley School District prepares its capital asset reports and calculates annual depreciation using the fixed assets module within Skyward.

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**Have there been any staff changes or turnover since the prior audit?**

Matt Furlong began serving as Director of Finance in July 2025. He brings 15 years of public school district experience from Octorara School District.

Lauren McGaulley, Accounting Specialist, was promoted in May 2025 to replace a retiree.

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**How many bank accounts does the School District maintain? Are the accounts reconciled monthly?**

The District maintains 11 bank accounts, 6 student activity accounts, and 1 trust and scholarship account. All accounts are reconciled monthly.

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**Has any material fraud been identified over the past five years?**

No.

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**May the audit firm request information prior to fiscal year-end to expedite the on-site testing process?**

Yes.

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**What is the typical audit staffing structure and timeline?**

Typically, two audit staff members are on-site for approximately two weeks, followed by a one- to two-day follow-up visit.

Preliminary fieldwork typically occurs in May, with final fieldwork conducted during the second and third weeks of August. Draft financial statements are generally provided by mid-October. The School Board presentation typically occurs at the first meeting in November, with formal approval at the second November meeting.

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## **Regional Audit Discussion Summary**

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### **Expectations for a New Audit Firm**

Across all participating districts, several consistent priorities were identified:

- Stability and long-term reliability in an audit partner
  - Timely completion of audits with strict adherence to deadlines
  - Strong, proactive, and consistent communication
  - Full transparency throughout the audit process
  - A reputable firm that operates as a collaborative partner
  - Proactive identification and resolution of accounting and GASB-related matters
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### **District-Specific Feedback & Priorities**

#### **Donegal School District**

- Emphasized the importance of open and ongoing communication.
  - Requested references from other school districts (Boyer & Ritter confirmed availability).
  - Inquired about each firm's capacity to serve multiple districts.
  - Currently utilizes a DebtBooks for GASB 87 and 96 reporting.
  - Experience with bond-related issues.
  - Undergoing construction projects.
  - Seeking a reputable firm committed to teamwork, transparency, and reasonableness.
  - Confirmed willingness to disclose relevant information during the proposal process.
  - Reported a positive working relationship between administration and the school board.
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### **Hempfield School District**

- Identified communication and adherence to deadlines as top priorities.
  - Currently managing a high school construction project.
  - Emphasized the importance of proper GASB compliance and overall transparency.
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### **Manheim Central School District**

- Shares similar reporting deadlines (draft financial statements by mid-October, board presentation in November).
  - Provides financial data directly.
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### **Conestoga Valley School District**

- Requested a draft audit by mid-October for presentation to the school board, with finalization in November.
  - Managing construction projects and implementation of updated systems (e.g., Skyward).
  - Has partially outsourced certain positions to SOSL/STS.
  - Emphasized the importance of clear communication among auditors, the superintendent, and the school board, particularly if issues arise.
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## **Audit Firm Responses & Discussion Points**

### **Boyer & Ritter**

- Confirmed capacity to serve more than 30 school districts, including several in Lancaster County.
- Expressed commitment to serving Pennsylvania school districts.
- Will provide references upon request.
- Stated that mutual adherence to established timelines is critical for successful audit completion.

- Asked whether districts consistently provide all required financial information to avoid delays.
  - Confirmed that a dedicated team would be assigned on-site for each audit engagement.
  - Inquired how they could further support districts beyond ensuring timely audit completion.
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## **SEK**

- Government services team includes four managers.
  - Asked what districts are accustomed to receiving from auditors.
  - Inquired whether districts utilize DebtBooks systems for GASB 87 and 96 reporting.
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## **Barbacane & Thornton**

- Five-partner, 30-person firm with a partner located in Lancaster County.
  - Asked about anticipated transition timelines.
  - Inquired whether there was district-specific information not readily visible that would impact proposal preparation.
  - Asked about the working relationship between district administration and school boards.
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## **Cherry Bekaert**

- Currently engaged in fall project work.
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## **Key Expectations**

- On-time audit completion
- Clear, proactive communication
- Transparency with administration and school boards

- A strong partnership approach
  - Adequate staffing capacity to manage multiple districts
  - Experience with construction projects, bond issuances, and GASB compliance
  - Coordinated timelines between districts and audit firms
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