

LAFAYETTE CENTRAL SCHOOL DISTRICT

NEW YORK

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

For Year Ended June 30, 2022



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

October 11, 2022

To the Board of Education
LaFayette Central School District, New York

In planning and performing our audit of the financial statements of LaFayette Central School District as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered LaFayette 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 LaFayette Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of LaFayette 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 October 11, 2022 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:

Procurement Procedures –

During our examination of the District's procurement procedures, we noted six instances in which purchases made did not have the required number of quotations, as required by the District's procurement policy.

We recommend the District make every effort to obtain the required number of written quotations for purchases, as required by District Policy. In addition, consider increasing the dollar threshold in the District's procurement policy relating to verbal and written quotes.

Current Year Deficiencies in Internal Control:

Internal Controls –

Our review of the District’s internal accounting control system revealed that the bank reconciliations and journal entries are not being reviewed on a monthly basis.

In today’s operating environment, internal accounting controls are becoming more important in safeguarding District assets and providing management with a maximum level of comfort. With this in mind, we recommend the monthly bank reconciliations and journal entries be reviewed and initialed by an individual independent of the process.

Online Banking –

Our examination revealed that the District does not have a dedicated computer terminal to be used exclusively for online banking.

In order to enhance controls over wire transfers and online banking, we recommend the District implement using a computer exclusively for online banking transactions.

Prior Year Recommendations:

The following prior year recommendations have been implemented to our satisfaction:

1. There was a computer control risk assessment completed for the current year, as well as a disaster recovery plan.
2. We did not find any instances of the timesheets not agreeing to what was paid to the employee on the payroll register.

* * *

We believe that the implementation of these recommendations will provide LaFayette 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.

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
October 11, 2022