

LAFAYETTE CENTRAL 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 8, 2023

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, 2023, 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 September 8, 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 Deficiency Pending Corrective Action:

Procurement Procedures –

During our examination of the District's procurement procedures, we noted one instance in which a purchase 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.

Current Year Deficiencies in Internal Control:

School Lunch Fund –

Federal Regulation #7CFR Part 210.09 recommends the School Lunch Fund balance not exceed three months average of expenditures. As of June 30, 2023, the District’s School Lunch Fund balance totaled \$168,446 and exceeded three months average expenditures in the amount of \$22,388.

Cash and Investments –

While examining the cash management and investment policy we noted that the maximum deposits allowed per financial institution was not noted in the investment policy or specified by the Board during the reorganizational meeting.

We recommend the maximum allowable deposits at each authorized financial institution be documented each year at the annual reorganizational Board meeting and/or the District’s investment policy.

Prior Year Recommendations:

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

1. Our review of the District’s internal accounting control system revealed that the bank reconciliations and journal entries are being reviewed on a monthly basis.
2. The District has a computer that is used exclusively for online banking transactions.
3. The District increased the dollar thresholds in the procurement policy relating to verbal and written quotes.

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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
September 8, 2023