

BRADFORD 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 12, 2022

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

In planning and performing our audit of the financial statements of Bradford 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 Bradford 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 Bradford Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Bradford 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 12, 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 Deficiencies Pending Corrective Action:

School Lunch Fund –

Federal Regulation #7 CFR Part 210.15 recommends the School Lunch Fund balance not exceed three months average expenditures. As of June 30, 2022 the District's Unassigned School Lunch Fund Balance totaled \$109,676, and exceeded three months average expenditures in the amount of \$51,565.

We recommend the District continue to closely monitor the fund balance of the School Lunch Program and make every effort to comply with the Federal Regulation.

(Prior Year Deficiencies Pending Corrective Action) (Continued)

Fund Balance –

As indicated in the financial statements, the unassigned fund balance in the General Fund at June 30, 2022 exceeds the 4% maximum allowed by Section 1318(a)(1) of the Real Property Tax Law.

We recommend the District continue to monitor fund balance as it relates to Section 1318(a)(1) of the Real Property Tax Law.

Current Year Deficiency in Internal Control:

Receipts –

During the course of our examination of selected receipts, we noted six instances where deposits were not made in a timely manner from when monies were received.

In an effort to safeguard receipts and maintain accountability and control, we recommend every effort continue to be made to deposit receipts in a timely manner.

Other Items:

The following items are not considered to be deficiencies in internal control, however, we consider them other items which we would like to communicate to you as follows:

Cyber Risk Management –

The AICPA Center for Audit Quality recently issued a cyber security risk management document discussing cyber threats that face both public and private entities. The District's IT personnel routinely assesses cyber risk as part of their normal operating procedures. The District should document their cyber risk assessment process in writing which should include the risk assessment process, the frequency of the risk assessment, how findings are to be communicated to the appropriate level of management, and how the process will be monitored.

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 Recommendation:

We are pleased to report that the following prior year recommendation has been implemented to our satisfaction:

1. The District has implemented complementary controls over online banking transactions.

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We believe that the implementation of these recommendations will provide Bradford 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 12, 2022