

STACKEL & NAVARRA, C.P.A., P.C.

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Board of Education
Jefferson-Lewis-Hamilton-Herkimer-Oneida Board of
Cooperative Educational Services

Management Letter

In planning and performing our audit of the financial statements of Jefferson-Lewis-Hamilton-Herkimer-Oneida Board of Cooperative Educational Services (BOCES) for the year ended June 30, 2022, we considered BOCES' internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of items that are opportunities for strengthening internal controls and operating efficiency.

We previously reported on BOCES' internal control structure in our report dated October 13, 2022. This letter does not affect our report dated October 13, 2022, on the financial statements of Jefferson-Lewis-Hamilton-Herkimer-Oneida BOCES.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various BOCES personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Finding:

We noted the following exceptions in the Extraclassroom Activity Fund all at the Bohlen Center:

- We noted that all six of the cash receipts examined had only the signature of the central treasurer – the signatures of the student treasurer and student advisor were missing. In addition, all six of the receipts were missing backup as to where the revenue was derived from – only a bank receipt was attached.
- We noted that of the ten disbursements tested, five disbursements did not have the available cash balance information completed, four did not have backup with the payment order, one did not have an indication of receipt of goods, two disbursements lacked a description of the reason for the expenditure, and all ten did not have the student treasurer's signatures.
- Profit and loss statements were not prepared for fundraisers.

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Recommendation:

Central treasurers, advisors, and student activity treasurers of BOCES should be provided Finance Pamphlet 2, *The Safeguarding, Accounting and Auditing of Extraclassroom Activity Funds* and should be strongly encouraged to follow the instruction therein. Additional training should be provided as necessary.

Management's Response:

The BOCES Management will review the requirement for signatures on all cash receipts and disbursements. This will include providing the staff with a copy of Finance Pamphlet 2, *The Safeguarding, Accounting and Auditing of Extra Classroom Activity Funds*

The BOCES Management will also work with local area auditors to provide a regional training for student treasurers and the faculty advisors on completing profit and loss statements, and also the proper oversight of the Extra Classroom Activity Fund in general. The BOCES Treasurer will periodically review the Extra Classroom Activity Fund to identify mid-year corrections needed.

Stackel & Navarra, CPA, PC

Stackel & Navarra, C.P.A., P.C.

October 13, 2022



BOCES
Caring. Confident. United.

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ASSISTANT SUPERINTENDENT
FOR BUSINESS

October 19, 2022

Following is a Corrective Action Plan addressing the issues described in the year ended June 30, 2022 Management Letter:

Finding:

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- We noted that all six of the cash receipts examined had only the signature of the central treasurer – the signatures of the student treasurer and student advisor were missing. In addition, all six of the receipts were missing backup as to where the revenue was derived from – only a bank receipt was attached.
- We noted that of the ten disbursements tested, five disbursements did not have the available cash balance information completed, four did not have backup with the payment order, one did not have an indication of receipt of goods, two disbursements lacked a description of the reason for the expenditure, and all ten did not have the student treasurer's signatures.
- Profit and loss statements were not prepared for fundraisers.

Recommendation:

Central treasurers, advisors, and student activity treasurers of BOCES should be provided Finance Pamphlet 2, *The Safeguarding, Accounting and Auditing of Extraclassroom Activity Funds* and should be strongly encouraged to follow the instruction therein. Additional training should be provided as necessary.

Corrective Action:

The BOCES Management will review the requirement for signatures on all cash receipts and disbursements. This will include providing the staff with a copy of Finance Pamphlet 2, The Safeguarding, Accounting and Auditing of Extra Classroom Activity Funds

The BOCES Management will also work with local area auditors to provide a regional training for student treasurers and the faculty advisors on completing profit and loss statements, and also the proper oversight of the Extra Classroom Activity Fund in general. The BOCES Treasurer will periodically review the Extra Classroom Activity Fund to identify mid-year corrections needed.

Compliance Date: 06.30.2023

Sincerely,

Stephen J. Todd
District Superintendent