

EXTRACLASSROOM ACTIVITY FUNDS
MANAGEMENT COMMENT LETTER

Board of Education
West Genesee Central School District
Camillus, New York

In planning and performing our audit of the financial statements of the Extraclassroom Activity Funds of West Genesee Central School District (the School District) as of and for the year ended June 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our current year audit, we became aware of other matters with respect to internal control. This letter summarizes these comments and recommendations regarding these matters. This letter does not affect our report dated October 4, 2017 on the financial statements of the Extraclassroom Activity Funds of the West Genesee Central School District.

OTHER MATTERS

Current Year Findings

High School

Cash Receipts - Profit and Loss Statements

Findings:

During our current year audit, 2 of 3 receipts tested lacked a Profit and Loss Statement for the applicable fundraiser.

Recommendation:

We recommend each club submit a Profit and Loss Statement for each fundraiser, in order to determine actual profit earned. Also, we recommend the Central Treasurer communicate the importance of Profit and Loss Statements to Student Officers and Faculty Advisors.

West Genesee Middle School

Cash Receipts - Profit and Loss Statements

Findings:

During our current year audit, 2 of 7 receipts tested lacked a Profit and Loss Statement for the applicable fundraiser.

Recommendation:

We recommend each club submit a Profit and Loss Statement for each fundraiser, in order to determine actual profit earned. Also, we recommend the Central Treasurer communicate the importance of Profit and Loss Statements to Student Officers and Faculty Advisors.

Inactive Accounts

Finding:

During our current year audit, 1 club was financially inactive.

Recommendation:

We recommend clubs be reviewed by Faculty Advisors annually and either dissolved or re-activated in conformance with Board policy and guidance from “The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds.”

Camillus Middle School

Cash Receipts - Untimely Deposits

Finding:

During our current year audit, for 2 of 10 receipts tested, we were unable to determine if funds were submitted to the Central Treasurer timely.

Recommendation:

We recommend the Central Treasurer communicate the importance of depositing funds as they are received, as opposed to waiting to deposit the funds. Also, we recommend forms submitted by the Student Officer disclose the date funds were received. We recommend all funds be submitted to the Central Treasurer within three to five business days of collection. Faculty advisors should actively monitor the timely deposit of funds from Student Officers to the Central Treasurer to ensure safeguarding of student assets.

Cash Receipts - Untimely Deposits

Finding:

During our current year audit, 1 of 10 receipts tested was not deposited by the Central Treasurer timely.

Recommendation:

We recommend funds submitted by the Central Treasurer be deposited within 3 to 5 business days.

Cash Receipts - Sales Tax

Findings:

During our current year audit, for 1 of 5 receipts tested, we noted required sales tax was not collected and remitted to New York State.

Recommendation:

We recommend all items purchased by Student Clubs for resale should not pay sales tax at purchase, but pay sales tax when the items are resold. We recommend the School District conform to proper sales tax collection and remittance procedures.

Inactive Accounts

Finding:

During our current year audit, 1 club was financially inactive.

Recommendation:

We recommend clubs be reviewed by Faculty Advisors annually and either dissolved or re-activated in accordance with Board policy and guidance from "The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds."

Current and Prior Year Findings

High School

Cash Receipts - Supporting Documentation

Finding:

During our current year audit, 1 of 10 receipts tested lacked sufficient supporting documentation. During our prior year audit, 2 of 10 receipts tested lacked sufficient supporting documentation.

Recommendation:

We continue to recommend all receipts be fully completed and submitted to the Central Treasurer timely with adequate documentation. Adequate documentation should include source of funds, total amount, date received, number of items sold, price per item, and if applicable, number of goods remaining.

West Genesee Middle School

Cash Receipts - Untimely Deposits

Finding:

During our current year audit, 1 of 10 receipts tested was not submitted to the Central Treasurer timely. During our prior year audit, 1 of 10 receipts tested was not submitted timely.

Recommendation:

We continue to recommend all funds be submitted to the Central Treasurer on receipt.

Prior Year Findings Resolved

High School

Cash Receipts - Authorized Signatures

Finding:

During our prior year audit, 1 of 10 receipts examined was not signed by authorized individuals.

Resolution:

During our current year audit, of receipts tested, all had proper signatures.

Cash Disbursements - Sales Tax

Findings:

During our prior year audit, 1 of 10 disbursements tested did not pay required sales tax.

Recommendation:

During our current year audit, of disbursements tested, all paid applicable sales tax.

West Genesee Middle School

Cash Receipts - Authorized Signatures

Finding:

During our prior year audit, 2 of 10 receipts examined were not signed by authorized individuals.

Resolution:

During our current year audit, of receipts tested, all had proper signatures.

Camillus Middle School

Cash Receipts - Authorized Signatures

Finding:

During our prior year audit, 1 of 10 receipts examined was not signed by authorized individuals.

Resolution:

During our current year audit, of receipts tested, all had proper signatures.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various school district 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.

This communication is intended solely for the information and use of management, the Audit Committee, Board of Education, and the New York State Department of Education and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully Submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
October 4, 2017