

**WEST GENESEE
CENTRAL SCHOOL DISTRICT**

Camillus, New York

EXECUTIVE SUMMARY

June 30, 2016



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Certified Public Accountants | Business Advisors

WEST GENESEE CENTRAL SCHOOL DISTRICT

EXECUTIVE SUMMARY OF 2016 AUDIT REPORT AND FINDINGS

Basic Financial Statements

Report of Independent Auditor's on Basic Financial Statements.

Report of Independent Auditor's on Supplemental Financial Information.

Report of Independent Auditor's on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

Description of Report and Findings

Unmodified opinion on West Genesee Central School District's (the School District) basic financial statements for the year ended June 30, 2016.

Unmodified opinion on supplemental financial information in relation to primary audit report.

Report on the School District's compliance with laws and regulations that may have a direct and material effect on the basic financial statements, and on the School District's internal control structure, policies and procedures based on the auditor's understanding of the internal control structure and assessment of control risk obtained as part of the audit of the basic financial statements. This report identified **no material instances of noncompliance and no material internal control weaknesses** at the financial statement level.

Single Audit (Uniform Guidance) Report

Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance.

Report on 1) the School District's internal control structure policies and procedures used in administering federal award programs; 2) compliance with general requirements of the School District's federal awards; and 3) compliance with specific requirements applicable to each major program. This report identified **no material instances of noncompliance and no material internal control weaknesses** regarding compliance in accordance with Uniform Guidance.

There are several federal award programs; expenditures amounted to a total of \$2,224,175.

Communication with Those Charged with Governance at the Conclusion of the Audit.

A letter that specifically addresses certain required communications to the Board of Education in accordance with professional standards - there were **no comments of concern** to be reported regarding the following:

- Qualitative Aspects of Accounting Practices
- Difficulties Encountered in Performing the Audit
- Corrected and Uncorrected Misstatements
- Disagreements with Management
- Management Representations
- Management Consultations with Other Independent Accountants
- Other Audit Findings or Issues
- Other Matters

Report of Independent Auditors on Extraclassroom Activity Funds.

Unmodified opinion on the School District's Extraclassroom Activity Fund financial statements for the year ended June 30, 2016.

Management Comment Letter

Letter of comments dated October 5, 2016 discusses several issues.

WEST GENESEE CENTRAL SCHOOL DISTRICT

5 YEAR FINANCIAL STATEMENT ANALYSIS - GOVERNMENTAL FUNDS

	JUNE 30, 2016	JUNE 30, 2015	JUNE 30, 2014	JUNE 30, 2013	JUNE 30, 2012
ASSETS					
Cash and investments	\$ 19,519,918	\$ 16,695,834	\$ 18,510,954	\$ 18,036,440	\$ 16,212,005
Receivables	2,654,167	5,839,461	2,688,670	2,933,224	3,245,401
Other		46,893			
Total Assets	\$ 22,174,085	\$ 22,582,188	\$ 21,199,624	\$ 20,969,664	\$ 19,457,406
LIABILITIES					
Accounts payable and accruals	\$ 213,644	\$ 432,599	\$ 503,942	\$ 290,735	\$ 646,760
Due to retirement systems	4,970,313	6,109,037	5,699,332	4,182,404	3,895,455
Revenue Anticipation Note	5,000,000	6,000,000	5,000,000	5,000,000	5,000,000
Other	162,428	52,350	13,400	22,690	10,850
Total Liabilities	10,346,385	12,593,986	11,216,674	9,495,829	9,553,065
FUND BALANCE					
Nonspendable (Prepaid)		46,893			
Restricted (Reserved)	5,642,620	5,413,620	4,956,844	5,797,218	4,267,167
Assigned (Appropriated plus encumbrances)	2,900,993	1,595,334	2,845,264	2,763,040	2,347,975
Unassigned (Unreserved, tax reduction)	3,284,087	2,932,355	2,180,842	2,913,577	3,289,199
Total Fund Balances	11,827,700	9,988,202	9,982,950	11,473,835	9,904,341
Total Liabilities and Fund Balances	\$ 22,174,085	\$ 22,582,188	\$ 21,199,624	\$ 20,969,664	\$ 19,457,406
REVENUES					
Taxes (including STAR)	\$ 46,432,070	\$ 45,391,915	\$ 43,469,188	\$ 42,299,689	\$ 41,223,211
State aid	30,303,244	28,322,909	28,479,271	25,768,046	24,249,347
Other	1,914,149	1,861,133	1,561,861	1,875,225	1,595,892
Total Revenues	78,649,463	75,575,957	73,510,320	69,942,960	67,068,450
EXPENDITURES					
General support	6,211,479	6,078,014	6,209,513	5,883,500	6,092,317
Instruction	43,090,622	41,201,761	40,728,577	36,951,915	36,306,454
Transportation	4,769,305	4,848,599	4,768,287	4,510,030	4,177,846
Employee benefits	17,812,395	18,504,103	17,774,592	15,592,293	15,859,333
Debt service	4,901,143	4,868,892	5,299,573	5,203,310	5,277,507
Total Expenditures	76,784,944	75,501,369	74,780,542	68,141,048	67,713,457
Excess of Revenues (Expenditures)	1,864,519	74,588	(1,270,222)	1,801,912	(645,007)
Interfund Transfers In	27,841	50,559		75,277	10,858
Interfund Transfers (Out)	(52,862)	(119,895)	(220,663)	(307,695)	(69,837)
Net Increase (Decrease)	\$ 1,839,498	\$ 5,252	\$ (1,490,885)	\$ 1,569,494	\$ (703,986)
Capital Outlay	\$ 12,331,289	\$ 4,455,632	\$ 1,469,515	\$ 1,192,879	\$ 1,171,531
Special Aid Revenues/Expenditures	\$ 1,883,502	\$ 1,920,044	\$ 1,793,889	\$ 2,140,021	\$ 2,163,441
School Lunch: Revenues	\$ 1,658,712	\$ 1,667,619	\$ 1,673,549	\$ 1,581,897	\$ 1,697,765
School Lunch: Expenditures	\$ 1,621,798	\$ 1,670,060	\$ 1,672,300	\$ 1,704,688	\$ 1,745,688

Note: Abstracted from audited financials - See audit reports for complete information

WEST GENESEE CENTRAL SCHOOL DISTRICT

EXECUTIVE SUMMARY OF 2016 AUDIT

AUDIT FOCUS - REPORTING OBJECTIVES

- 1) Basic Financial Statements
 - *Management's Discussion and Analysis
 - *District-wide Financial Statements
 - *Statement of Net Position
 - *Statement of Activities
 - *Governmental Fund Financial Statements
 - *Notes to Financial Statements
 - *Supplemental Financial InformationReport on Compliance and on Internal Control Over Financial Reporting

- 2) Single Audit (Uniform Guidance) Requirements for Federal Awards
 - *Schedule of Federal Award Expenditures
 - *Compliance with Applicable Requirements
 - *Internal Control Over Compliance

AUDIT APPROACH

- *Preliminary Planning
- *Consideration of Internal Control Over Financial Reporting
- *Tests of Controls
- *Tests of Compliance with Laws and Regulations
- *Substantive Testing of Financial Information (Includes Analytical Review)
- *Single Audit Tests of Compliance with Applicable Requirements
- *Consideration of Internal Control Over Compliance Requirements

UNDERSTANDING THE SCHOOL DISTRICT'S OPERATIONS

- *Services Provided
- *Assessment of Accounting and Reporting System
- *Nature of Activities
- *Special Reporting Requirements
- *Nature of Compliance Requirements
- *Assessment of Management

FACTORS AFFECTING THE SCOPE OF THE AUDIT

- *Effectiveness of Overall Financial Controls
- *Qualifications of Key Personnel
- *Appropriate Segregation of Duties
- *Ability to Demonstrate Compliance with Laws and Regulations
- *Effectiveness of Budget Process Administration
- *Accuracy and Comprehensiveness of Internal Reporting
- *Existence of Adequate Policies and Procedures
- *Ability to Issue Timely and Accurate Financial Reports