

***JORDAN-ELBRIDGE CENTRAL SCHOOL DISTRICT***

***NEW YORK***

***COMMUNICATING INTERNAL CONTROL  
RELATED MATTERS IDENTIFIED IN AN AUDIT***

***For Year Ended June 30, 2018***

**Raymond F. Wager, CPA, P.C.**  
Certified Public Accountants

RAYMOND F. WAGER, CPA, P.C.  
Certified Public Accountants

September 7, 2018

To the Board of Education  
Jordan-Elbridge Central School District, New York

In planning and performing our audit of the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Jordan-Elbridge Central School District, New York as of and for the year ended June 30, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered the Jordan-Elbridge Central School District, New York'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 District'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. 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.

**Prior Year Deficiency Pending Corrective Action:**

**Form 1099**

The District made payments totaling \$3,000 to an individual through its purchasing process. This individual was not issued an IRS Form 1099 and the District did not have a form W-9 from on file.

We recommend year end procedures include a review of all individuals that were paid more than \$600 to determine whether an IRS Form 1099 needs to be issued. A form W-9 should be obtained from all vendors with which the District contracts business to determine their tax status.

**Current Year Deficiency in Internal Control:**

**Fund Balance**

As of June 30, 2018, the District's unappropriated fund balance exceeded the four percent (4%) maximum allowed by Section 1318 of the Real Property Tax Law by \$147,869.

We recommend the District monitor fund balance as it relates to Section 1318 of the Real Property Tax Law.

**Other Item:**

The following item is not considered to be a deficiency in internal control, however, we consider it an other item which we would like to communicate to you as follow:

**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. We recommend the District continue to 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.

**Prior Year Recommendation:**

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

1. For those items tested, purchases appeared to be made after purchase orders were issued.

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.

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We wish to express our appreciation to the business office staff for all the courtesies extended to us during the course of our examination.



Rochester, New York  
September 7, 2018