

JORDAN-ELBRIDGE CENTRAL SCHOOL DISTRICT
NEW YORK

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

For Year Ended June 30, 2024



BUSINESS
ADVISORS
AND CPAS



BUSINESS
ADVISORS
AND CPAS

September 26, 2024

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

In planning and performing our audit of the financial statements of Jordan-Elbridge Central School District as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered Jordan-Elbridge 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 Jordan-Elbridge Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Jordan-Elbridge 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 September 26, 2024 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 Deficiency Pending Corrective Action:

School Lunch Fund

During the course of our examination, we noted that the assigned fund balance in the School Lunch Fund at June 30, 2024 totaled \$471,795. This balance appears to be in excess of the three months average expenditures level recommended by Federal Regulation #7CFR Part 210.14 by \$238,237.

We recommend the District continue to monitor the corrective action necessary for compliance with the Federal Regulation.

Current Year Deficiencies in Internal Control:

Bidding/Quoting –

Our examination revealed that the District procured goods and services using the piggybacking process, however, the District did not always confirm or maintain documentation showing these bids were in compliance with the General Municipal Law.

We recommend the District review the procedures over the utilization of piggybacking contracts to ensure adequate documentation is maintained as outlined in General Municipal Law.

Tax Certiorari Reserve –

During the course of our examination, we noted that the tax certiorari reserve is not supported by a current listing of pending tax certiorari cases.

We recommend the Administration review this reserve to determine the appropriateness of the year end balance.

Custodial Salaries –

Our examination revealed that during the 2023-24 school year, the District began to allocate direct costs for custodial salaries to the School Lunch Fund. However, time reporting for these employees does not show hours directly worked for the School Lunch program.

We recommend the District prepare detailed time records or perform time studies to support direct charges of custodial salaries to the School Lunch program.

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 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 continue to document its 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. Bank reconciliations are reviewed and signed by an individual independent of preparation.

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We believe that the implementation of these recommendations will provide Jordan-Elbridge 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
September 26, 2024