

**BALDWINSVILLE CENTRAL SCHOOL DISTRICT**

**NEW YORK**

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

**For Year Ended June 30, 2013**

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

**Shareholders:**

**Raymond F. Wager, CPA**  
**Thomas J. Lauffer, CPA**  
**Thomas C. Zuber, CPA**

Members of  
American Institute of  
Certified Public Accountants  
and  
New York State Society of  
Certified Public Accountants

September 25, 2013

To the Board of Education  
Baldwinsville 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 Baldwinsville Central School District, New York as of and for the year ended June 30, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the Baldwinsville Central School District, New York's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 deficiencies, significant deficiencies, or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

**Prior Year Deficiencies Pending Corrective Action:**

**Billing –**

We noted that billing and collection for field trips, building use, and foster student tuition are done by the same person. In addition, bills for the above items are sent out without an independent review to ensure accuracy & completeness.

We recommend the District continue to review the above items to improve the billing and collection process.

**(Prior Year Deficiencies Pending Corrective Action) (Continued)**

**School Lunch Fund –**

Federal Regulation #7 CFR Part 210.15 recommends the School Lunch Fund balance not exceed three months average expenditures. As of June 30, 2013, the District's School Lunch Fund balance was in excess of three months average expenditures in the amount of approximately \$26,000.

We commend the District for closely monitoring the School Lunch program and make every effort to comply with the Federal Regulation.

**Other Items:**

**Documentation of Procedures –**

Our examination revealed the Business Office has made significant progress in preparing a manual of written procedures for District office personnel. However, the manual does not currently include updated day to day purchasing procedures for the accounts payable function.

We recommend the Administration review this item and document the procedures for the accounts payable function during this next fiscal year.

**Current Year Deficiencies Pending Corrective Action:**

**Vendor Change Reports –**

Our examination revealed that vendor change reports are not currently being printed and reviewed.

We recommend vendor change reports be printed and reviewed on a routine basis by an individual independent of the process.

**Computer Controls –**

During the course of our audit, we noted that the District does not have a written disaster recovery plan.

We recommend the District develop and implement a disaster recovery plan to safeguard electronic information.

**Prior Year Recommendations:**

We are pleased to report the following prior year recommendations have been implemented to our satisfaction:

1. We did not note any Library purchases where a purchase order was not utilized.
2. The self-funded dental account in the Trust and Agency Fund was properly reconciled at year end.
3. The District adopted an online banking policy during the 2012-13 fiscal year.
4. The balance in the liability reserve at June 30, 2013 was less than 3% of the 2013-14 budget.

**(Prior Year Recommendations) (Continued)**

5. The library is reconciling receipts to the point of sale system.
6. We did not note any instances where the library comingled daily library receipts with other cash collections.

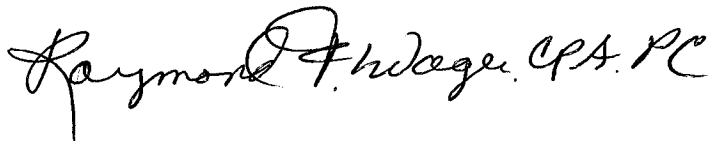
This communication is intended solely for the information and use of management, the Board, audit committee, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

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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.

Handwritten signature of Raymond F. Wager, CPA, PC.

September 25, 2013