

**CATO – MERIDIAN CENTRAL SCHOOL DISTRICT
NEW YORK**

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

For Year Ended June 30, 2024



BUSINESS
ADVISORS
AND CPAS



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ADVISORS
AND CPAS

October 2, 2024

To the Board of Education
Cato-Meridian Central School District, New York

In planning and performing our audit of the financial statements of Cato-Meridian 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 Cato-Meridian 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 Cato-Meridian Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Cato-Meridian 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 October 2, 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 Deficiencies Pending Corrective Action:

School Lunch –

Federal Regulation #7 CFR Part 210.14(b) recommends The School Lunch Fund balance not exceed three months average expenditures. As of June 30, 2024, the District's School Lunch Fund balance totaled \$344,169 and exceeded three months average expenditures in the amount of \$184,563.

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

Year End Audit Adjustments –

The books and records of the District required several year end audit adjustments to properly state account balances and accruals.

We recommend every effort be made during the year end closing process to include the appropriate adjustments to the year end balances prior to the commencement of audit field work.

Current Year Deficiency in Internal Control:

Disbursements –

During the course of our examination, we noted seven instances in which the vendor invoice was dated prior to the purchase order.

In order to enhance the internal accounting controls over cash disbursements, we recommend a purchase order be prepared prior to the purchase of a product or service unless the purchase is an emergency situation.

Other Items:

The following items are not considered to be deficiencies in internal control; however, we consider them other items which we would like to communicate to you as follows:

Cyber Risk Management –

The District’s IT personnel routinely assesses cyber risk as part of their normal operating procedures. The District should 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 Recommendations:

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

1. The District adopted a District Recovery Plan.
2. The original revenue budget entered into the accounting system agreed with the budget brochure.
3. The reviewed access rights within the accounting system appear reasonable based upon responsibilities of examined employee.

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We believe that the implementation of these recommendations will provide Cato-Meridian 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, Baw & Co. LLP

Rochester, New York
October 2, 2024