

**EXTRACLASSROOM ACTIVITY FUNDS
MANAGEMENT COMMENT LETTER**

Board of Education
Maine Endwell Central School District
Endwell, New York

In planning and performing our audit of the financial statements of the Extraclassroom Activity Funds of Maine-Endwell Central School District (the School District) as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the School District'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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School 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 entity'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 or significant deficiencies. 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.

During our current year audit, we became aware of other matters with respect to internal control. This letter summarizes these comments and recommendations regarding these matters. This letter does not affect our report dated October 15, 2020 on the financial statements of the Extraclassroom Activity Funds of the Maine-Endwell Central School District.

OTHER MATTERS

Middle School

Current and Prior Year Findings

Inactive Accounts

Finding:

During our current year audit, the Class of 2025, Art Club, Orchestra, and Variety Show clubs were financially inactive. During our prior year audit, Orchestra, and Science Olympiad clubs were financially inactive.

Recommendation:

We recommend clubs be reviewed by Faculty Advisors annually and either dissolved or re-activated in conformance with board policy and guidance from “The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds.”

Prior Year Findings Resolved

Cash Receipts - Untimely Deposits

Prior Year Finding:

During our prior year audit, 4 of 10 Middle School receipts examined were not received timely by the Central Treasurer.

Resolution:

All receipts selected for testing during our current year audit were submitted timely to the Central Treasurer.

High School

Current and Prior Year Findings

Inactive Accounts

Finding:

During our current year audit 4 of 22 High School clubs were financially inactive; International Club, Odyssey of the Mind, SADD, and Scholarship Challenge. During our prior year audit, 5 of 21 High School clubs were financially inactive; Girls Up, Odyssey of the Mind, SADD, Scholarship Challenge, and Science Olympiad.

Recommendation:

We recommend clubs be reviewed by Faculty Advisors annually and either dissolved or re-activated in conformance with board policy and guidance from “The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds.”

Cash Receipts - Untimely Deposits

Finding:

In the current year, 4 of 10 receipts examined were not submitted to the Central Treasurer timely. Additionally, 5 of 10 receipts did not have sufficient documentation to verify deposits were submitted to the Central Treasurer timely. In the prior year, 1 of 10 receipts examined was not submitted to the Central Treasurer timely.

Recommendation:

In order to safeguard assets, we continue to recommend developing and implementing specific procedures over cash receipts which dictate handling of receipts from time of receipt to submission to the Central Treasurer, including proper dating and authorization of deposit. Funds should be secured at all times and submitted to the Central Treasurer within three business days of receipt.

Cash Receipts - Profit and Loss Statements

Finding:

In the current period, 2 of 9 receipts examined lacked a profit and loss statement. During our prior year audit, 1 of 3 receipts examined lacked a profit and loss statement.

Recommendation:

We recommend a profit and loss statement be prepared for all applicable fundraisers.

Prior Year Findings Resolved

Cash Receipts - Supporting Documentation

Prior Year Finding:

During our prior year audit, 3 of 10 receipts examined were lacking supporting documentation detailing what, how many, and pricing for items sold.

Resolution:

All receipts selected for examination during our current year audit provided supporting documentation.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various school district personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of School District management, the Audit Committee, the Board of Education, and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, slightly slanted style.

Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
October 15, 2020