

**SUSQUEHANNA VALLEY
CENTRAL SCHOOL DISTRICT
INTERNAL AUDITOR'S REPORT
JUNE 30, 2022**

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Certified Public Accountant
A Professional Corporation

INTERNAL AUDITOR'S REPORT

The Audit Committee and
Board of Education
Susquehanna Valley Central School District
1040 Conklin Road
Conklin, NY 13748

I have performed the procedures described below, which were agreed to by the Susquehanna Valley Central School District, solely to assist you in evaluating the performance of the District for the fiscal year ended June 30, 2022, in the areas addressed. The District's management is responsible for its financial records, internal controls and compliance with State laws and regulations. This engagement was conducted in accordance with the consulting standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified parties in this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The District remains responsible for their accounting records, activity funds, fraud prevention and detection, and for maintaining effective internal controls over the financial statements and compliance.

The following is a recap of my assessment of risk in specific areas:

Strategic Planning	Low
Facilities Construction	Low
Student Attendance	Low
Regents Testing Procedures	Low
Maintenance of Effort	Low

The procedures and the associated findings are as follows:

1. Follow Up on Prior Year Findings

I reviewed the external auditor's management letter and the corrective actions taken. I also reviewed the corrective actions taken with respect to the findings from the prior year's internal audit.

All items have been properly addressed and the necessary procedures instituted to further strengthen internal controls.

The prior year internal audit findings have been addressed as follows:

- a. The district will update specific job descriptions for certain positions.

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1. Follow Up on Prior Year Findings - continued

- b. The district will consult legal counsel for including evaluation in certain administrative contracts.
- c. The district will include the annual evaluation as part of the new contract for the Assistant Superintendent if possible.

2. Strategic Planning

Reviewed documentation to ensure the district has a written strategic plan, vision statement, goals, objectives, performance measures and strategies to accomplish the goals and that these goals are compared to actual performance.

No exceptions were found as a result of these procedures.

3. Facilities Construction

Procedures were reviewed to determine that voters have approved construction projects currently underway, that proper approvals and permits have been obtained for various phases of the project and proper monitoring is in place to ensure the expenditures do not exceed the approved budget.

Procedures were reviewed to ensure the proper retainage is recorded and the district is utilizing the appropriate professionals in the construction process which includes bond counsel, financial advisors and architects.

Selected calculations were reviewed for contractor costs by the project manager and traced to their summary of expenditures for selected projects to the district's records.

No exceptions were found as a result of these procedures.

4. Student Attendance

The district's attendance policy and procedures for taking attendance were reviewed.

The records of attendance for selected students were examined and verified that reasons for absence are recorded.

The district has appointed an attendance officer and that a system was in place for attendance taking.

Controls over the input and access to attendance data were tested and that the records were reviewed by each building principal for accuracy and up to date.

Procedures for retention of attendance records were reviewed and that the district submits reports to New York State timely and accurately.

Our findings as a result of these procedures are presented under "Student Attendance" in the Auditor's Comments.

5. Regents Testing Procedures

Observed procedures for receipt, distribution and collection of examination materials to ensure in compliance with State Education Department requirements.

Observed procedures for the distribution of exams to students requiring testing modifications.

No exceptions were found as a result of these procedures.

6. Maintenance of Effort (MOE)

Reviewed Maintenance of Effort Calculator and Questar worksheet.

Reviewed General fund account expenditures and MOE reduction adjustments/exceptions, if applicable.

Reviewed IDEA Special Aid fund account expenditures.

Reviewed for compliant, accurate and properly categorized reporting.

No exceptions were found as a result of these procedures.

I was not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the specified areas, accounts, or items. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

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



Ernest Skiadas, CPA, P.C.
Internal Auditor

October 18, 2023

AUDITOR'S COMMENTS AND OBSERVATIONS

A. Maintenance of Effort (MOE)

- 1. Observation:** We obtained the Questar MOE worksheet, NYS compliance worksheet and the ST-3 and identified the amounts reported as spent on the MOE expenditures. The expenditures spent at the local level were \$ 2,249,633 and state and local level were \$ 4,827,220 during the 2021-22 year. The local per capita amount per student was \$ 11,596 and the state and local per capita amount was \$24,882. Each of these amounts exceeded the requirement and thus met the MOE test.
- 2. Observation:** We traced the amounts from the district's financial report (ST-3) to the amounts used in both the Questar MOE worksheet and the NYS compliance worksheet and test the calculations and found no exceptions.
- 3. Observation:** We verified the child count of 194 for Students with Disabilities and found no exceptions.

B. Student Attendance

- 1. Finding:** In reviewing the login and security procedures of the attendance software we noted that the password for each user is not required to be changed at certain frequencies.

Recommendation: We recommend the district initiate a change to require a user password to be changed, at the minimum, annually if not more frequently. We have been informed by the Attendance supervisor that the school will be changing the attendance software in the near future and that it will be addressed at that time.