

WEBSTER CENTRAL SCHOOL DISTRICT

NEW YORK

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

For Year Ended June 30, 2023



BUSINESS
ADVISORS
AND CPAS



BUSINESS
ADVISORS
AND CPAS

October 10, 2023

To the Board of Education
Webster Central School District, New York

In planning and performing our audit of the financial statements of Webster Central School District as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered Webster 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 Webster Central School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Webster 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 10, 2023 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 –

During the course of our examination, we noted that the fund balance in the School Lunch Fund at June 30, 2023 totaled \$2,834,081. This balance appears to be in excess of the three months average expenditures level recommended by Federal Regulation #7CFR Part 210.14. The District is in the process of implementing their plan to spend down funds, however, there have been challenges with the coordination of the vendors.

We recommend the District continue to monitor the fund balance in order to comply with the Federal Regulation.

Current Year Deficiencies in Internal Control:

Capital Projects Fund –

As indicated in the Financial Statements the 2017-18 \$69,500,000 capital project reported cumulative expenditures totaling \$70,794,538, however, this appears to be in excess of the approved budget by \$1,294,538.

We recommend the Administration review this item with their capital project consultants to determine the status of this project.

Payroll -

As part of our examination over the submission of certain Internal Revenue Service (IRS) forms, we noted the IRS filings for forms W-2 and W-3, as well as Form 1096 were submitted to the IRS after the due date of January 31, which may result in a future penalty.

We recommend the District continue to monitor their payroll filing requirements to ensure forms are submitted to the IRS in a timely manner.

Prior Year Recommendation:

We are pleased to report the following prior year recommendation has been implemented to our satisfaction:

1. Separation payment calculations included signatures of appropriate personnel indicating review and approval.

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We believe that the implementation of these recommendations will provide Webster 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
October 10, 2023