

October 2, 2023

To the Board of Education
Of the Sullivan West Central School District
P.O. Box 308
Jeffersonville, NY 12748

In planning and performing our audit of the financial statements of the Sullivan West 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 the Sullivan West 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 in accordance with *Government Auditing Standards* and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. This letter does not affect our report dated October 2, 2023 on the financial statements of the Sullivan West Central School District.

Certain matters involving the internal control structure and its operation, of a more routine nature, have been discussed with the appropriate administrative personnel.

COMPLIANCE

During our review of the Extraclassroom Activity Funds, we noted that there were several cash receipts for various fundraisers that had checks included in the deposit that were dated more than two months prior. We strongly recommend in the future that the clubs submit the proceeds to the

Central Treasurer more frequently. The funds should be deposited on a regular basis to prevent the threat of loss or theft.

We also noted that several clubs did not complete profit and loss statements for their fundraisers. The profit and loss statements are required by the New York State Department of Education. The statements are a tool to help teach the students how to run a business and to allow them to understand if the fundraiser was profitable. We strongly recommend in the future that each club complete and submit the profit and loss statements at the end of each fundraiser.

Management's Response - The District has reviewed the Extra Classroom procedures with all club advisors and the faculty auditor. Clubs will deposit funds in a timely manner regardless of whether or not the related fund-raiser has come to an end. Profit and Loss Statements will be compiled immediately at the close of all fundraising activities. Club advisors have been provided with written procedures and sample templates to track funds and create Profit and Loss Statements. The faculty auditor will proactively request Profit and Loss Statement if necessary and continue to receive and review the records for compliance. A system has been implemented to identify any issues, communicate and resolve them in a timely manner. The chief faculty counselor will address issues of non-compliance as they arise.

Management has addressed our previous recommendations.

We would like to thank the staff who assisted us during our examination, and provided us with all the necessary records.

Very truly yours,

Cooper Arias, LLP

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