

October 20, 2020

Board of Education
Schoharie Central School District

Dear Board Members:

In planning and performing our audit of the financial statement of Schoharie Central School District's Extraclassroom Activity Fund (the Fund), as of and for the year ended June 30, 2020 we considered the 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 statement, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

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 and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, during our audit we noted certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated October 20, 2020 on the financial statement of Schoharie Central School District's Extraclassroom Activity Fund.

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 and other operational efficiencies. We will be pleased to discuss these comments in further detail at your convenience, perform any additional study of these matters, or assist you in implementing the recommendations. Our comments are summarized as follows:

1. CLUB LEDGERS

Finding

Club ledgers are an important and required part of the accounting records for Extraclassroom activities. The purpose of these ledgers is for the Club to be responsible for recording and monitoring their activity and for providing a system of checks and balances against the Central Treasurer. We noted one receipt out of fourteen tested that was not recorded in the club ledger.

Recommendation

Per the SED pamphlet for Extraclassroom Activity Funds, the student activity treasurer shall keep a ledger showing all receipts and disbursements and indicating a daily running balance, which shall be on a form prescribed by the Board of Education.

2. STUDENT APPROVALS

Finding

During our testing we noted that once schools closed due to the COVID-19 pandemic, there was not always a documented student activity treasurer approval for cash receipts and disbursements.

Recommendation

We recommend an alternative method of documenting the required approvals be developed which can be utilized when obtaining physical signatures is not possible.

3. FACULTY AUDITOR

Finding

Per the SED pamphlet for Extraclassroom Activity Funds, the faculty auditor will call in the ledgers kept by the student activity treasurer at least twice per year in order to compare the balance shown on the central treasurer's report with the balance recorded in the ledgers kept by the student activity treasurer. Through our testing and discussions with management, we noted this procedure was not completed.

Recommendation

We recommend that the faculty auditor perform the twice per year review and document any discrepancies and subsequent resolutions.

We would like to thank the management and staff of Schoharie Central School District for their cooperation during the course of the audit. There are many favorable areas within the District upon which we have not made comment. Please understand that the nature of this letter is to recommend improvements.

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

Very truly yours,

Marvin and Company, P.C.