

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Monticello Central School District
Monticello, New York 12701

To the Audit Committee and Board of Education of the
Monticello Central School District

We have performed the procedures enumerated below on the internal control assessment of the Monticello Central School District for the months of April, May and June 2021. Monticello Central School District is responsible for the design, selection, and implementation of the internal controls.

Monticello Central School District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting Monticello Central School District in evaluating internal control procedures based on guidance published by New York State Education Department and New York State Office of the State Comptroller. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Governance and Planning – Governance and Control Environment

1. We reviewed the Monticello Central School District website to determine whether the District website contained transparent and comprehensive financial information as required by the New York State Office of the Comptroller. School District's in New York State are required to have the following information posted on their website:
 - A comprehensive original board adopted budget
 - Current year budget-to-actual results.
 - Final annual budget
 - A multi-year financial plan.
 - Comprehensive audit reports and corrective action plans.

Governance and Planning – Governance and Control Environment (Continued)

Findings

- The District website did not include current year budget to actual information in a transparent location but instead it was posted under Board Docs.
- The District website did not include a multi-year financial plan but instead it was posted under Board Docs.
- The District website did not include all external audit reports and internal audit reports. The last external audit report posted was from 2018. The rest of the reports were posted under Board Docs.

Conclusion

Auditor recommends that the District update their website to be in compliance with the requirements of the New York State Office of the Comptroller.

Governance and Planning – Budget and Budget Administration

2. We obtained the District's budget reports for the 2018 – 2019 school year, the 2019 – 2020 school year, and the 2020 – 2021 school year and performed the following procedures:
 - We compared the actual and budgetary general fund revenue and expenditures for the selected school years.
 - We verified the District did not have any expenditures exceeding appropriations.
 - We reviewed the District's policy for budget transfers for compliance with New York State Education Law 1718, *limitation upon expenditures*.

Below is a comparison of the General Fund's revenue and expenditures with the budget.

	Revenue			Expenditures		
	2018/2019	2019/2020	2020/2021	2018/2019	2019/2020	2020/2021
Budget	\$90,739,298	\$92,236,550	\$98,135,787	\$90,739,298	\$92,236,550	\$98,135,787
Actual*	86,218,046	87,634,279	88,247,551	86,807,450	87,550,997	90,186,495
\$ Difference	4,521,252	4,602,271	9,888,236	(3,931,848)	(4,685,554)	(7,949,292)

*Actual amount includes outstanding encumbrances. The District had the following encumbrance amounts outstanding:

2018/2019:	\$952,977
2019/2020:	939,934
2020/2021:	1,956,495

Comments/Conclusion

Actual expenditures were less than budgeted expenditures. Control procedures are in place related to budgeting.

Facilities, Equipment and Inventory – Facilities Construction

3. We obtained the District's capital projects fund general ledger for the period July 1, 2020 – June 30, 2021. Based on our review of this ledger, we performed the following procedures:

- We obtained all progress billing reports for the high school renovation project and the new bus garage project for the period July 1, 2020 – June 30, 2021.
- We recalculated the amounts reported on the progress billing reports to verify accuracy.
- We verified that the Architect and/or Engineer approved the payment and that their signature on the application was notarized.
- We traced the payment from the progress billing report to a warrant approved by the Board.

Conclusion

No findings were noted as a result of the above named procedures. We will continue to review the capital projects fund as these projects progress.

Risk Assessment Update

Risk assessments have been updated in the following areas:

II. Accounting and Reporting

- Assessing Financial Condition
- Financial Accounting and Reporting
- Auditing
- State Aid and Grants

Regarding the Risk Assessment Update, there are no other matters to report at this time.

We were engaged by Monticello Central School District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on internal control assessment for the months of April, May and June 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Monticello Central School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

Waschitz Pauloff CPA LLP

Monticello, New York

November 15, 2021