
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 2023. Monticello Central School District's management 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 interviewed the Director of Technology to verify that the District has internal control procedures in place related to cybersecurity and the tracking of Information Technology "IT" assets. During our interview, we noted the following:

- The District automatically encrypts all e-mails that contain sensitive information.
- All District employees and vendors are required to use multi-factor authentication in order to access the network.
- The District has an information and data privacy security, breach and notification policy as required by New York State Education law.
- District employees receive training on phishing e-mails annually.
- The District has a cybersecurity response plan in case there was ever a security breach.
- The IT Department has a system in place to monitor the location of all District owned IT assets.

Governance and Planning – Governance and Control Environment (Continued)

Conclusion

- The District has internal controls in place related to cybersecurity and tracking District owned IT assets.

Purchasing and Expenditures – Travel and Conferences

2. We reviewed the District's policies and procedures for travel and conferences. We verified the District has established the following procedures:
 - We verified that attendance at conferences is approved in advance.
 - We reviewed the District's reimbursement rates and the process for submitting reimbursement requests.
 - We verified the District has a procedure in place that requires employees to provide an account of the benefits derived from attendance at conferences.

Conclusion

The District has internal control procedures in place related to travel and conferences.

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, 2023. 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 bus garage project for the period July 1, 2020 – June 30, 2023.
 - 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

IV. Purchasing and Expenditures

- Purchasing
- Accounts Payable and Cash Disbursements
- Payroll and Personnel
- Travel and Conferences

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 2023. 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 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

September 29, 2023