

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 July, August and September 2025. 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:

Accounting and Reporting - Auditing

1. We reviewed the District's external audit report for the period ending June 30, 2025:

Findings/Conclusion

- The District's unassigned fund balance at June 30, 2025 was in excess of the amount permitted by New York State law. The District has created a plan to lower the unassigned fund balance to comply with the law.

Purchasing and Expenditures - Payroll

2. We interviewed the District's Payroll Clerk regarding the District's procedures for purchasing to determine whether they are in compliance with internal control procedures as recommended by New York State Department of Education. Effective July 1, 2025, the payroll function is performed in house by the District's Business Office rather than through Sullivan County BOCES.

Conclusion

- The District's procedures for payroll are in compliance with internal control procedures as recommended by New York State Department of Education.

Purchasing and Expenditures - Purchasing

3. We randomly selected fourteen employees from the September 30, 2025 payroll check date and performed the following procedures:
 - We traced the employee's pay rate per the payroll register to their pay agreement. If the employee was part of a bargaining unit, we reviewed their contract.
 - We recomputed the employee's bi-weekly payroll amount based on their contract or pay agreement and matched it to their gross pay per the payroll register report.
 - If the employee is hourly/daily, we reviewed their timesheets to verify they were paid for the correct number of hours.

Conclusion

- No findings were noted as a result of the above named procedures.

Facilities, Equipment and Inventory - Facilities Construction

4. We obtained the District's Capital Projects Fund general ledger for the period July 1, 2025 - September 30, 2025. Based on our review of this ledger, we performed the following procedures:
 - We obtained all progress billing reports for the period July 1, 2025 – September 30, 2025.
 - 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.

Information Technology

5. We verified the District has the following policies in place as recommended by New York State Department of Education:

- Written Disaster Recovery Plan
- Breach Notification Policy
- Data Security and Privacy Policy
- Backup and Data Retention Policy

Conclusion

- The District is in compliance with Information Technology policies as recommended by New York State Department of Education.

Risk Assessment Update (References below are from NYS Checklist)

I. Governance and Planning

- Governance and Control Environment
- Strategic Planning, Budget Development and Budget Administration

VIII. Information Technology

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 July, August and September 2025. 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

December 4, 2025