

***ALBION CENTRAL SCHOOL DISTRICT***

***NEW YORK***

***COMMUNICATING INTERNAL CONTROL  
RELATED MATTERS IDENTIFIED IN AN AUDIT***

***For Year Ended June 30, 2021***



**MENGEL METZGER BARR & CO. LLP**

Certified Public Accountants

October 13, 2021

To the Board of Education  
Albion Central School District, New York

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Albion Central School District, New York as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the Albion Central School District, New York's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to 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. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated October 13, 2021 on the financial statements of the District. 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 or result in other operating efficiencies. Our comments are summarized as follows:

**Prior Year Deficiency Pending Corrective Action:**

**Unassigned Fund Balance –**

As of June 30, 2021 the District's unassigned fund balance exceeded the four percent (4%) maximum limit allowable by Section 1318(a)(1) of the Real Property Tax Law by \$17,326,133. We recommend the District make every effort to monitor fund balance to comply with Section 1318(a)(1) of the Real Property Tax Law.

**To the Board of Education  
Albion Central School District, New York**

**Current Year Deficiency in Internal Control**

**School Lunch** –

During the course of our examination, we were unable to trace the Point of Sale System Breakfast Entry to supporting documentation since food service employees used clickers for the students when they passed through for their breakfast meal.

We recommend the District implement procedures to have proper documentation supporting the counts for breakfast meals.

**Other Items:**

The following items are not considered to be deficiencies in internal control; however, we consider them other items which we would like to communicate to you as follows:

**Cyber Risk Management** –

We commend the District for having a cyber risk assessment performed. We recommend the District continue to document their cyber risk assessment process in writing which should include the risk assessment process, the frequency of the risk assessment, how findings are to be communicated to the appropriate level of management, and how the process will be monitored.

**GASB Statement No. 87 Leases** –

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87 which will be effective during the 2021-22 fiscal year. As a result, the District will be required to gather certain information relating to those items considered to be leases in order to prepare the lease payable and right to use asset calculations.

**Prior Year Recommendations:**

The following prior year recommendations have been implemented to our satisfaction:

1. The District implemented a new accounting software as of July 1, 2021 which should help with the segregation of duties for computer access rights.

**To the Board of Education  
Albion Central School District, New York**

**(Prior Year Recommendations)**

2. The District reconciled the cash log prepared for checks coming into the Business Office through the mail with the deposit activity recorded in the general ledger.
3. The District has adopted a procedural manual specific to each federal program compliance requirement.

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We wish to express our appreciation to the business office staff for all the courtesies extended to us during the course of our examination.

Rochester, New York  
October 13, 2021

*Mengel, Metzger, Bar & Co. LLP*