

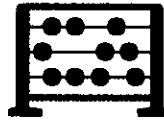
***WALLKILL CENTRAL SCHOOL DISTRICT  
INDEPENDENT INTERNAL AUDIT REPORT  
AGREED-UPON PROCEDURES  
SMART SCHOOL BONDS ACT COMPLIANCE &  
EXTRACLASSROOM ACTIVITY FUNDS***

***2018***

**WALLKILL CENTRAL SCHOOL DISTRICT  
INDEPENDENT INTERNAL AUDIT REPORT  
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SMART SCHOOL BONDS ACT COMPLIANCE &  
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**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES  
RELATED TO INTERNAL CONTROLS**

To the Board of Education of the  
Wallkill Central School District  
5 Main Street  
Wallkill, New York

We have performed the procedures enumerated below, which were agreed to by the Board of Education of the Wallkill Central School District for the year ended June 30, 2018. The Wallkill Central School District's management is responsible for the internal controls over the Smart Schools Bond Act and the Extraclassroom Activity Funds. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**SMART SCHOOLS INVESTMENT PLAN**

**BACKGROUND**

The District was required to submit a Smart Schools Investment Plan (Plan) to the New York State Department of Education (NYSED). The Plan is required to:

- Include linkage between the District's long term educational planning and technology investments.
- Provide learning opportunities within and beyond the classroom through the use of technology
- Address the educational needs of all students attending school
- Propose capital spending that is eligible for tax exempt financing

The Plan was submitted and approved by NYSED. This is the second year of purchasing through the grant.

**PROCEDURES AND FINDINGS**

**Procedure 1**

We obtained the Appropriation Account Transactions Report from 7/1/16 to 6/30/17 and verified the following for each of the purchases after November 17, 2017:

- Approved purchase order prior to date of purchase
- Proof of receipt
- Account code appears reasonable and in the Capital Project Fund
- Proper invoice or support
- Expenditure appears to be allowable per Plan
- Expenditures were purchased after approval of Plan
- Approved by Claims Auditor

### **Findings**

We found no exceptions as a result of this procedure.

### **Procedure 2**

The District is required to purchase the goods and services using the District and New York State bidding procedures. The goods and services must be purchased at or below the prices available on Federal and New York State Contracts. We verified that all the purchases made with the Smart School Bond Act funds were properly bid or used Federal or New York State Contracts.

### **Findings**

We found no exceptions as a result of this procedure.

### **Procedure 3**

We compared the report from NYS Department of Education's SSBA's portal to the items purchased on the Appropriation Account Transactions Report through June 30, 2017. There were no disbursements in the current fiscal year.

### **Findings**

We found no exceptions as a result of this procedure.

### **Procedure 4**

We traced the serial numbers from the invoices to the serial numbers on the District's inventory list.

### **Findings**

We found no exceptions as a result of this procedure.

## **EXTRACLASSROOM ACTIVITY FUNDS**

### **BACKGROUND**

The Extraclassroom Activity Funds purpose is to provide a learning experience in running a business. It is a way show the students proper controls of receipts and disbursements and to show if an activity was profitable. It is important that the students are involved in every transaction. The Advisors are supposed to guide the students and help safeguard the monies for each club. Each transaction should be approved and signed by the Central Treasurer, Advisor and most important, the Student Treasurer. The Central Treasurer maintains the records and each individual club has their own ledgers to maintain.

#### **Procedure 1**

We selected cash receipts from the 2016-2017 fiscal year and the 2017-2018 fiscal year and verified the following:

- Proper supporting documentation of receipts
- Proper approval on Deposit Form
  - Student Treasurer
  - Advisor
  - Central Treasurer
- Item was posted to student sub-ledgers
- Profit and loss statement was prepared

#### **Findings**

We noted one profit and loss statement had not been prepared for a fundraiser.

We found most of the cash receipts supporting documentation only includes the District's Deposit Form and the bank deposit slip. It is very difficult to determine what the deposit was for and who the money was collected from. In some instances we were able to look at the Central Treasurer's receipt book to determine what the funds were for. However, if the deposit was deposited directly to the bank at night, there is no receipt prepared by the Central Treasurer. It would be extremely difficult to determine who has paid for a fundraiser or function if the District needed to refund their money.

We found the following number of instances where the approvals were not on the Deposit Form.

	Student Treasurer	Advisor	Central Treasurer
2016-2017			
Receipt 1		X	
Receipt 2	X		
Receipt 3	X		
Receipt 4	X		
Receipt 5			X
Receipt 6	X		
Receipt 7	X		
Receipt 8			
Receipt 9	X		
Receipt 10	X		
Receipt 11	X		
2017-2018			
Receipt 1	X	X	
Receipt 2	X		
Receipt 3			X
Receipt 4			X
Receipt 5			X

X – Signature not on Deposit Form

### **Procedure 2**

We selected cash disbursements from the 2016-2017 fiscal year and the 2017-2018 fiscal year and verified the following:

- Proper supporting documentation such as invoice
- Proper approval on disbursement
  - Student Treasurer
  - Advisor
  - Principal
- Item was posted to student sub-ledgers
- Cancelled check agreed with the general ledger

### **Findings**

We noted one disbursement did not have an advisor's signature on the Disbursement Form.

### **Procedure 3**

We compared the bank reconciliations to the general ledger and bank statements for several quarters of the 2016-2017 fiscal year and the 2017 - 2018 fiscal year.

### **Findings**

We found no exceptions as a result of this procedure.

We would like to thank all of the staff that assisted us during our engagement.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's internal controls. 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.

This report is intended solely for the information and use of the Wallkill Central School District and is not intended to be and should not be used by anyone other than those specified parties.

  
Mongaup Valley, New York  
March 2, 2018