

ORLEANS - NIAGARA
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
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 Members
Orleans-Niagara
Board of Cooperative Educational Services, 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 Orleans-Niagara Board of Cooperative Educational Services, 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 Orleans-Niagara Board of Cooperative Educational Services, 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the BOCES internal control. Accordingly, we do not express an opinion on the effectiveness of the BOCES 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 BOCES. 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:

Adult and Continuing Education –

As part of our examination of the adult and continuing education programs offered by the BOCES, we noted five programs that ended the year with a deficit fund balance. These include 903.819 LPN Lockport (\$132,873), 907.000 Night School (\$240,713), 908.000 Nurse's Aide (\$33,030), 902.021 LPN Niagara Falls (\$70,552), and 930.021 Incarcerated Youth (\$1,202).

We recommend the BOCES continue to monitor the adult and continuing education programs to ensure program revenues are sufficient to cover expenditures.

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:

Federal Programs–

As a result of recent federal program changes, BOCES documents various Federal Program procedures through written questionnaires prepared by the Program Coordinators and the Business Office. Recent guidance from the New York State Education Department suggests Federal recipients should enhance their written documentation into a written procedural manual that is more detailed and specific to each federal program compliance requirements.

We recommend the Business Office work with the Program Coordinators to enhance their current procedures into a procedure manual that is consistent with the federal compliance requirements for their respective program.

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 Recommendation:

The prior year recommendation has been noted above.

This communication is intended solely for the information and use of management, the Board, audit committee, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

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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, Barw & Co. LLP