



**EXTRACLASSROOM ACTIVITY FUNDS
MANAGEMENT COMMENT LETTER**

Board of Education
Mexico Academy and Central School District
Mexico, New York

In planning and performing our audit of the financial statements of the Extraclassroom Activity Funds of Mexico Academy and Central School District (the School District) as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the School District'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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our current year audit, we became aware of other matters with respect to internal control. This letter summarizes these comments and recommendations regarding these matters. This letter does not affect our report dated October 14, 2022, on the financial statements of the Extraclassroom Activity Funds of Mexico Academy and Central School District.

OTHER MATTERS

MEXICO HIGH SCHOOL

Current and Prior Year Finding

Inactive Clubs

Finding:

In the current and prior years, the Rocket Club and the SADD Club had no financial activity.

Recommendation:

We recommend the School District determines if the clubs are still active; if not, the balance in the clubs' accounts should be closed in accordance with Board policy.

Current Year Findings

Negative Club Balances

Finding:

The Class of 2023 ended the fiscal year with a negative balance of \$233.

Recommendation:

The Club should ensure that it has available cash before submitting requests for cash disbursement. The Central Treasurer should also ensure cash is available before disbursement.

Profit and Loss Statements

Finding:

In the current year, 1 of 3 fundraisers tested did not include a profit and loss statement in the documentation.

Recommendation:

The District should ensure that all fundraisers include a profit and loss statement as needed.

Cash Receipts

Finding:

During our current year audit, 4 of 10 receipts examined were not submitted to the Central Treasurer timely.

Recommendation:

Deposits should be submitted to the Central Treasurer within 3-5 days of receipt.

MEXICO MIDDLE SCHOOL

Current Year Findings

Cash Receipts

Finding:

During our current year audit, 2 of 5 receipts were not submitted to the Central Treasurer in a timely fashion.

Resolution:

Deposits should be submitted to the Central Treasurer within 3-5 days of receipt.

Cash Receipts

Finding:

During our current year audit, 5 of 5 receipts examined were missing an identifying receipt number.

Recommendation:

The Central Treasurer should ensure that receipts with identifying sequential numbers are used that to allow for proper documentation and identification of receipts.

This communication is intended solely for the information and use of School District management, the Audit Committee, and the Board of Education and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in dark ink that reads "Insero & Co. CPAs, LLP". The signature is written in a cursive, flowing style.

Insero & Co. CPAs, LLP

Certified Public Accountants

Ithaca, New York

October 14, 2022