

***BOARD OF COOPERATIVE EDUCATIONAL SERVICES  
SECOND SUPERVISORY DISTRICT OF  
MONROE AND ORLEANS COUNTIES***

***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  
Board of Cooperative Educational Services  
Second Supervisory District of  
Monroe and Orleans Counties, New York

In planning and performing our audit of the financial statements of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, 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 Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, 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:**

**Special Aid Fund –**

The Special Aid fund recognized an operating loss of \$271,021 in fiscal 2021 which further reduced the year end fund balance to a deficit of (\$3,508,970). The current year loss is attributed mostly to Preschool programs, however, the overall deficit is primarily due to deficits incurred by the EPE program as well as other adult education and training programs.

We recommend the fiscal stability of these programs continue to be reviewed.

**Current Year Deficiency in Internal Control:**

**Substitutes –**

During the course of our examination, we noted that supervisors will review daily attendance forms for substitutes, however, this review is not documented.

We recommend the review of attendance forms be documented when completed.

**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 –**

The BOCES' IT personnel routinely assesses cyber risk as part of their normal operating procedures. We recommend the BOCES 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 BOCES 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*