

**To the President and Members of the
Board of Education
and School Administration
Jasper-Troupsburg Central School District
Jasper, New York**

Ladies and Gentlemen:

In planning and performing our audit of the statement of cash receipts and disbursements – cash basis of the Extraclassroom Activity Fund of *Jasper-Troupsburg Central School District* as of and for the year ended June 30, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered *Jasper-Troupsburg Central 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 *Jasper-Troupsburg Central School District's* internal control. Accordingly, we do not express an opinion on the effectiveness of *Jasper-Troupsburg Central School 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 material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a material weakness.

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 a 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. We consider the following deficiency in internal control to be a material weakness:

Point of Sale Records

We noted certain instances where the receipt of cash lacked point of sale records. Each cash receipt received by the central treasurer should be accompanied by supporting documentation which reconciles cash received to participation times rates/fees. Due to the lack of point of sale records, cash receipts are not adequate to permit the application of the necessary auditing procedures to indicate whether receipts were recorded. We recommend that point of sale records be filled out in detail or an appropriate summary be attached by the student treasurer or teacher advisor and be verified or reviewed by the central treasurer.

District's response: The District continues to work with the Advisors for completion of forms and providing accurate data required. Advisors are met with at least once annually to review forms.

Additional comments for the extraclassroom fund of Jasper-Troupsburg Central School District are listed below:

Inactive Activity Funds

During the audit of the extraclassroom activity fund, we noticed certain activities (Band Fund, Cheerleaders, Class of 2017 Honor Society, and Ski Club) had very little or no activity during the current fiscal year and seem to be inactive accounts. We recommend that the District review the status of these clubs and those activities which are determined to be inactive should be closed out and transferred to the Trust and Agency Fund, General Fund or to another Activity Fund. The District may wish to develop a policy which dictates the course of action when activity funds remain inactive for a period of time, such as being transferred to the student council fund.

District's response: The District will take appropriate action to close the inactive accounts.

Faculty Auditor

Outlined in the "Safeguarding, Accounting and Auditing of Extraclassroom Activity Funds" publication are certain controls, one of which is the creation of a Faculty Auditor position. This position would be approved by the Board of Education and function distinct and separate from the duties of other officers. The duties of the Faculty Auditor is to receive records from the Central Treasurer and examine various transactions and documentation to determine if correct procedures are being used. In addition, at least twice per year, on a rotating basis, the Faculty Auditor would compare balances maintained by the Central Treasurer and the Student Treasurer and Faculty Advisor and investigate any differences. The District should consider whether this position should be established or whether such duties could be assumed by the Claims Auditor.

District's response: The District will review the possibility of filling the Faculty Advisor position or having the Claims Auditor assume the duties.

This communication is intended solely for the information and use of management, Board of Education, and others within ***Jasper-Troupsburg Central School District***, and is not intended to be, and should not be, used by anyone other than these specified parties.

Buffamante Whipple Buttafaro PC

BUFFAMANTE WHIPPLE BUTTAFARO, P.C.

**Olean, New York
October 10, 2018**