
John H. Dietershagen, C.P.A.
Jerry E. Mickelson, C.P.A.
Thomas K. Van Derzee, C.P.A.
Debbie Conley Jordan, C.P.A.
Patrick S. Jordan, C.P.A.
Duane R. Shoen, C.P.A.
Lesley L. Horner, C.P.A.
D. Leslie Spurgin, C.P.A.



Ciaschi • Dietershagen • Little • Mickelson & Company, LLP

Certified Public Accountants and Consultants

Frederick J. Ciaschi, C.P.A.

EXTRACLASSROOM MANAGEMENT COMMENT LETTER

Board of Education
Chenango Valley
Central School District
Binghamton, New York

During the Fall of 2008, the State Education Department released an updated version of the official guidance for definition, conduct, and administration of the Extraclassroom Activity Funds. This official release, "**The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds - Finance Pamphlet 2,**" provides detailed guidance for documentation of financial transactions, sales tax compliance, and accounting for club activities.

In planning and performing our audit of the financial statements of the Extraclassroom Activity Funds (the Funds) of the Chenango Valley Central School District (the School District) for the year ended June 30, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered the Funds' internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control. Accordingly, we do not express an opinion on the effectiveness of the Funds' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all matters that might be considered control deficiencies, significant deficiencies or material weaknesses.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Funds' ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Funds' financial statements that is more than inconsequential will not be prevented or detected by the Funds' internal control. We consider the following deficiencies in internal control to be significant deficiencies.

OTHER MATTERS

Current and Prior Year Findings

Deficit Fund Balance

Findings:

During our current year audit, we noted that the Middle School 8th Grade Trip was carrying a negative balance at the end of the year.

Recommendation:

We recommend demands for payment be reviewed more closely and no expenditures be made without verification of available funds.

CORTLAND

39 Church Street
Cortland, New York 13045
607-753-7439
fax 607-753-7874

ITHACA

401 East State Street ~ Suite 500
Ithaca, New York 14850
607-272-4444
fax 607-273-8372
www.cdIm.com

WATKINS GLEN

108 West Fourth Street
Watkins Glen, New York 14891
607-535-4443
fax 607-535-6220

Clubs With No Financial Activity

Finding:

During our current year audit, we noted that the following clubs had no financial activity during the year: Golf Club, Literary Club, Tech Club, and Varsity Cheerleaders.

Recommendation:

We recommend clubs be reviewed annually to determine if they are active. Inactive clubs should be closed, and remaining fund balance distributed in accordance with School District policy.

Prior Year Findings - Resolved

Cash Receipts

Finding:

During our prior year audit, we noted one receipt subject to sales tax for which the tax was not paid.

Resolution:

In our current year audit, all cash receipts tested which were subject to sales tax paid the applicable tax.

Fundraising

Findings:

During our prior year's audits, we noted profit and loss statements were not being prepared for individual fundraisers.

Resolution:

In our current year audit, we noted a profit and loss statement for each fundraiser tested.

This report is intended solely for the information and use of management, the Audit Committee, the Board of Education, and the New York State Department of Education and is not intended to be and should not be used by anyone other than these specified parties



September 17, 2012
Ithaca, New York