



**EXTRACLASSROOM ACTIVITY FUNDS
MANAGEMENT COMMENT LETTER**

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

In planning and performing our audit of the financial statements of the Extraclassroom Activity Funds of Chenango Valley Central School District (the School District) as of and for the year ended June 30, 2017, 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 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. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 or significant deficiencies. 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 September 27, 2017 on the financial statements of the Extraclassroom Activity Funds of the Chenango Valley Central School District.

INSERO & Co. CPAs, LLP

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OTHER MATTERS

Prior Year Findings Resolved

Cash Receipts - Timely Deposits

Finding:

During our prior year audit, 1 of 10 receipts examined was not submitted to the Central Treasurer timely.

Resolution:

All receipts examined were submitted to the Central Treasurer timely.

Cash Receipts - Profit and Loss Statements

Findings:

During our prior year audit, 1 fundraiser examined did not have the required Profit and Loss Statement submitted.

Resolution:

During our current year audit, all fundraisers examined had Profit and Loss Statements submitted.

Cash Receipts - Sales Tax

Finding:

During our prior year audit, sales tax was not collected and remitted for 1 of 4 receipts examined.

Recommendation:

Of receipts examined, receipts for which sales tax was applicable collected and remitted sales tax.

Inactive Clubs

Finding:

During our prior year audit, 2 of 41 clubs were financially inactive.

Recommendation:

All clubs were financially active during the current year.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various school district personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of senior 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.

Respectfully Submitted,

A handwritten signature in dark ink that reads "Inero & Co. CPAs, LLP". The signature is written in a cursive, slightly stylized font.

Inero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
September 27, 2017