



The 2022-23 fiscal year external audit was performed by Mengel Metzger Barr & Co. LLP for the Baldwinsville Central School District. The audit findings are summarized below and can be reviewed in detail in the full audit reports that are also attached. The items listed below were found as opportunities for strengthening internal controls and operating efficiency. The audit committee reviewed the full reports on October 2, 2023 and discussed corrective action steps as noted below in italics. In addition the Audit Committee was provided with and reviewed a copy of the District's 2022-23 Basic Financial Statements Report.

External audit observations and corrective action indicated there are no new deficiencies to respond to. The following was a similar deficiency in 2021-22 and remains for 2022-23:

1. Federal Regulation #7CFR Part 210.14 recommends the School Lunch Fund balance not exceed three months average expenditures. The fund balance at June 30, 2023 totaled \$1,643,617 which exceeded the recommended balance by \$1,037,628. We recommend the District develop the corrective action necessary for compliance with the Federal Regulation.

- a. *The excess is related to the increased Federal reimbursement during the Free lunch period. The District has submitted a spending plan which includes upgrading our freezers and we are currently preparing to go out to bid by December 31, 2023. Purchase Orders totalling \$249,918 in equipment have been issued during June, July and August of 2023 as part of the District's spend down plan. Therefore, we anticipate this will be reduced during the 2023-24 school year.*