

CAYUGA-ONONDAGA BOCES

Auburn, New York

EXECUTIVE SUMMARY

**For the Year Ended
June 30, 2020**



CAYUGA-ONONDAGA BOCES

EXECUTIVE SUMMARY OF 2020 AUDIT REPORT AND FINDINGS

Basic Financial Statements

Independent Auditors' Report on Basic Financial Statements.

Independent Auditors' Report on Supplementary Financial Information.

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

Communication with Those Charged with Governance at the Conclusion of the Audit.

Independent Auditors' Report on Extraclassroom Activity Funds.

Description of Report and Findings

Unmodified opinion on BOCES' basic financial statements for the year ended June 30, 2020.

Unmodified opinion on supplementary financial information in relation to primary audit report.

Report on the BOCES' compliance with laws and regulations that may have a direct and material effect on the basic financial statements, and on the BOCES' internal control structure, policies and procedures based on the auditor's understanding of the internal control structure and assessment of control risk obtained as part of the audit of the basic financial statements. This report identified **no material instances of noncompliance and no material internal control weaknesses** at the financial statement level. A separate letter dated September 29, 2020, which has been issued, discusses the impact of future standards of the Governmental Accounting Standards Board.

A letter that specifically addresses certain required communications to the Board of Education in accordance with professional standards - there were **no comments of concern** to be reported regarding the following:

- Qualitative Aspects of Accounting Practices
- Difficulties Encountered in Performing the Audit
- Corrected or Uncorrected Misstatements
- Disagreements with Management
- Management Representations
- Management Consultations with Other Independent Accountants
- Other Audit Findings or Issues
- Other Matters

Unmodified opinion on the BOCES' Extraclassroom Activity Fund financial statements for the year ended June 30, 2020.

Letter of comments dated September 29, 2020 discusses the resolution of prior year issues as well as a COVID-19 discussion item.

CAYUGA-ONONDAGA BOCES

FIVE YEAR FINANCIAL STATEMENT ANALYSIS - FUND BASIS

	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Assets					
Cash and Investments	\$ 7,973,578	\$ 6,488,543	\$ 5,876,603	\$ 7,037,400	\$ 8,924,969
Due from Other Funds	6,880	13,243	16,709	9,073	7,914
Due from State, Federal, and Other Governments					27,907
Other	12,995	27,736	14,053	11,981	4,355
Total Assets	\$ 7,993,453	\$ 6,529,522	\$ 5,907,365	\$ 7,058,454	\$ 8,965,145
Liabilities					
Accounts Payable and Accruals	\$ 248,973	\$ 157,974	\$ 151,644	\$ 198,437	\$ 202,665
Due to School Districts, Net	4,790,634	3,813,178	2,893,002	4,124,208	5,872,378
Due to Retirement Systems	1,226,785	1,312,688	1,203,073	1,335,254	1,467,670
Due to Other Governments	26	154	169	79	217
Due to Other Funds	378,219	286,371		6,469	63,589
Overpayments	70,562	83,267	38,996	116,356	46,518
Total Liabilities	6,715,199	5,653,632	4,286,884	5,780,803	7,653,037
Restricted Fund Balances					
General Fund Reserves	1,278,254	875,890	1,620,481	1,277,651	1,312,108
Total Liabilities and Fund Balances	\$ 7,993,453	\$ 6,529,522	\$ 5,907,365	\$ 7,058,454	\$ 8,965,145
Revenues					
Charges to Components/BOCES	\$ 44,332,584	\$ 41,256,460	\$ 39,646,080	\$ 38,541,585	\$ 37,726,386
State and Federal Sources					90,284
Other	845,569	848,835	915,503	965,608	1,032,770
Total Revenues	45,178,153	42,105,295	40,561,583	39,507,193	38,849,440
Expenditures					
Administration	2,271,571	2,005,140	1,935,286	1,897,995	1,718,481
Instruction	22,555,986	21,502,039	20,355,831	20,011,756	19,119,344
Instructional Support	8,733,144	8,675,298	7,799,055	7,840,635	6,720,031
Other Services	6,736,814	6,409,739	6,502,950	6,991,145	6,811,976
Total Expenditures	40,297,515	38,592,216	36,593,122	36,741,531	34,369,832
Excess of Revenues	4,880,638	3,513,079	3,968,461	2,765,662	4,479,608
Other Financing Sources (Uses)					
Operating Transfers In	8,513	7,879	9,617	50,315	44,472
Operating Transfers (Out)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Net Change in Reserves	402,364	(744,591)	342,830	(34,457)	(12,117)
Refund of Surplus to School Districts	(4,869,151)	(3,500,958)	(3,958,078)	(2,795,977)	(4,504,080)
Total Other Financing (Uses)	(4,478,274)	(4,257,670)	(3,625,631)	(2,800,119)	(4,491,725)
Net Change in Fund Balance	\$ 402,364	\$ (744,591)	\$ 342,830	\$ (34,457)	\$ (12,117)
Capital Projects Fund Outlay	\$ 13,101	\$ -	\$ -	\$ -	\$ -
Special Aid: Revenues/Expenditures	\$ 2,349,974	\$ 2,472,841	\$ 2,887,817	\$ 2,473,268	\$ 2,314,318

Note: Abstracted from Audited Financials. See Audit Reports for Complete Information.

CAYUGA-ONONDAGA BOCES

TWO YEAR GENERAL FUND BUDGET ANALYSIS

	2020			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual w/ Encumbrances</u>	<u>Variance Fav. (Unfav.)</u>
Revenues				
Charges to Components - Administrative, Capital, and Facility Rental	\$ 2,300,653	\$ 2,295,632	\$ 2,295,633	\$ 1
Charges to Components - Services	36,875,887	39,574,154	39,574,153	(1)
Charges to Other BOCES	1,796,800	2,462,797	2,462,798	1
Interest and Earnings	5,000	5,000	31,296	26,296
Miscellaneous	736,180	508,727	166,750	(341,977)
Refund of Prior Years' Expenses			638,518	638,518
Sales			9,005	9,005
Total Revenues	<u>\$ 41,714,520</u>	<u>\$ 44,846,310</u>	<u>\$ 45,178,153</u>	<u>\$ 331,843</u>
Expenditures				
Administration and Facility Rental	\$ 2,320,653	\$ 2,299,854	\$ 2,271,571	\$ 28,283
Occupational Instruction	6,687,640	6,267,405	5,997,356	270,049
Instruction for Special Education	13,369,027	14,388,971	11,905,678	2,483,293
Itinerant Services	1,034,101	1,035,436	830,221	205,215
General Instruction	4,327,782	4,401,875	3,822,731	579,144
Instructional Support	7,266,750	9,432,954	8,733,144	699,810
Other Services	6,753,567	7,064,815	6,736,814	328,001
Total Expenditures	<u>\$ 41,759,520</u>	<u>\$ 44,891,310</u>	<u>\$ 40,297,515</u>	<u>\$ 4,593,795</u>
Excess of Revenues (Expenditures)	\$ (45,000)	\$ (45,000)	\$ 4,880,638	\$ 4,925,638
Other Financing Sources (Uses)				
Operating Transfers In	\$ 65,000	\$ 65,000	\$ 8,513	\$ (56,487)
Operating Transfers Out	(20,000)	(20,000)	(20,000)	-
Refunds of Surplus to Districts			(4,869,151)	(4,869,151)
Net Change in Reserves			402,364	402,364
Total Other Financing Sources (Uses)	<u>45,000</u>	<u>45,000</u>	<u>(4,478,274)</u>	<u>(4,523,274)</u>
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 402,364</u>	<u>\$ 402,364</u>
Refund of Surplus Compared to Budget	<u>11.66%</u>	<u>10.85%</u>		

Note: Abstracted from Audited Financials. See Audit Reports for Complete Information.

CAYUGA-ONONDAGA BOCES

TWO YEAR GENERAL FUND BUDGET ANALYSIS

	2019			
	Original Budget	Final Budget	Actual w/ Encumbrances	Variance Fav. (Unfav.)
Revenues				
Charges to Components - Administrative, Capital, and Facility Rental	\$ 2,135,730	\$ 2,146,685	\$ 2,128,703	\$ (17,982)
Charges to Components - Services	34,442,852	37,295,200	36,963,588	(331,612)
Charges to Other BOCES	1,296,192	2,164,170	2,164,169	(1)
Interest and Earnings	4,000	4,000	41,333	37,333
Miscellaneous	1,713,555	399,593	156,611	(242,982)
Refund of Prior Years' Expenses			620,793	620,793
Sales			30,098	30,098
Federal Sources	85,000	85,000		(85,000)
Total Revenues	<u>\$ 39,677,329</u>	<u>\$ 42,094,648</u>	<u>\$ 42,105,295</u>	<u>\$ 10,647</u>
Expenditures				
Administration and Facility Rental	\$ 2,159,280	\$ 2,154,220	\$ 2,005,140	\$ 149,080
Occupational Instruction	6,663,835	5,924,674	5,677,089	247,585
Instruction for Special Education	12,396,445	12,234,629	11,192,106	1,042,523
Itinerant Services	1,180,896	1,071,231	902,865	168,366
General Instruction	4,045,391	4,120,689	3,729,979	390,710
Instructional Support	6,701,771	9,741,507	8,675,298	1,066,209
Other Services	6,629,686	6,947,673	6,409,739	537,934
Total Expenditures	<u>\$ 39,777,304</u>	<u>\$ 42,194,623</u>	<u>\$ 38,592,216</u>	<u>\$ 3,602,407</u>
Excess of Revenues (Expenditures)	\$ (99,975)	\$ (99,975)	\$ 3,513,079	\$ 3,613,054
Other Financing Sources (Uses)				
Operating Transfers In	\$ 99,975	\$ 99,975	\$ 7,879	\$ (92,096)
Operating Transfers Out			(20,000)	(20,000)
Refunds of Surplus to Districts			(3,500,958)	(3,500,958)
Net Change in Reserves			(744,591)	(744,591)
Total Other Financing Sources (Uses)	<u>99,975</u>	<u>99,975</u>	<u>(4,257,670)</u>	<u>(4,357,645)</u>
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (744,591)</u>	<u>\$ (744,591)</u>
Refund of Surplus Compared to Budget	<u>8.80%</u>	<u>8.30%</u>		

Note: Abstracted from Audited Financials. See Audit Reports for Complete Information.

CAYUGA-ONONDAGA BOCES

SCHEDULE OF GENERAL FUND REVENUES AND EXPENDITURES COMPARED TO BUDGET FOR THE YEAR ENDED JUNE 30, 2020

	Revenues			
	Original Budget	Final Budget	Current Year's Revenues	Over (Under) Final Budget
Administration 001	\$ 2,018,478	\$ 2,002,699	\$ 2,112,095	\$ 109,396
Capital 002	302,175	297,155	297,155	-
Career and Technical Education 100-199	6,707,640	6,287,405	6,703,065	415,660
Instruction for Special Education 200-299	13,369,027	14,388,971	13,998,891	(390,080)
Itinerant Services 300-399	1,034,101	1,035,436	1,059,651	24,215
General Instruction 400-499	4,327,782	4,401,875	4,226,130	(175,745)
Instructional Support 500-599	7,266,750	9,432,954	9,279,897	(153,057)
Other Services 600-699	6,753,567	7,064,815	7,509,782	444,967
Totals	<u>\$ 41,779,520</u>	<u>\$ 44,911,310</u>	<u>\$ 45,186,666</u>	<u>\$ 275,356</u>

Revenues in Excess of Expenditures

Note: Abstracted from Audited Financials. See Audit Reports for Complete Information.

Expenditures

Original Budget	Final Budget	Current Year's Expenditures	Unencumbered Balances
<u>\$ 2,018,478</u>	<u>\$ 2,002,699</u>	<u>\$ 1,974,416</u>	<u>\$ 28,283</u>
<u>302,175</u>	<u>297,155</u>	<u>297,155</u>	<u>-</u>
<u>6,707,640</u>	<u>6,287,405</u>	<u>6,017,356</u>	<u>270,049</u>
<u>13,369,027</u>	<u>14,388,971</u>	<u>11,905,678</u>	<u>2,483,293</u>
<u>1,034,101</u>	<u>1,035,436</u>	<u>830,221</u>	<u>205,215</u>
<u>4,327,782</u>	<u>4,401,875</u>	<u>3,822,731</u>	<u>579,144</u>
<u>7,266,750</u>	<u>9,432,954</u>	<u>8,733,144</u>	<u>699,810</u>
<u>6,753,568</u>	<u>7,064,815</u>	<u>6,736,814</u>	<u>328,001</u>
<u>\$ 41,779,521</u>	<u>\$ 44,911,310</u>	<u>40,317,515</u>	<u>\$ 4,593,795</u>
		<u>\$ 4,869,151</u>	

CAYUGA-ONONDAGA BOCES

EXECUTIVE SUMMARY OF 2020 AUDIT

Audit Focus - Reporting Objectives

1) Basic Financial Statements

- *Management's Discussion and Analysis
- *Government-wide Financial Statements
 - *Statement of Net Position
 - *Statement of Activities
- *Governmental Fund Financial Statements
- *Notes to Financial Statements
- *Supplementary Financial Information

Independent Auditors' Report

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

Audit Approach

- *Preliminary Planning
- *Consideration of Internal Control Over Financial Reporting
- *Tests of Controls
- *Tests of Compliance with Laws and Regulations
- *Substantive Testing of Financial Information (Includes Analytical Review)
- *Single Audit Tests of Compliance with Applicable Requirements
- *Consideration of Internal Control Over Compliance Requirements

Understanding the BOCES' Operations

- *Services Provided
- *Assessment of Accounting and Reporting System
- *Nature of Activities
- *Special Reporting Requirements
- *Nature of Compliance Requirements
- *Assessment of Management

Factors Affecting the Scope of the Audit

- *Effectiveness of Overall Financial Controls
- *Qualifications of Key Personnel
- *Appropriate Segregation of Duties
- *Ability to Demonstrate Compliance with Laws and Regulations
- *Effectiveness of Budget Process Administration
- *Accuracy and Comprehensiveness of Internal Reporting
- *Existence of Adequate Policies and Procedures
- *Ability to Issue Timely and Accurate Financial Reports