



**COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE  
AT THE CONCLUSION OF THE AUDIT**

Board of Education  
Cayuga-Onondaga BOCES  
Auburn, New York

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Cayuga-Onondaga BOCES (BOCES), for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 25, 2023. Professional standards also require that we communicate to you the following information related to our audit.

**Significant Audit Matters**

**Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by BOCES are described in Note 1 to the financial statements. During the year ended June 30, 2023, BOCES adopted Government Accounting Standards Board (GASB) Statement No. 96, "Subscription-Based Information Technology Arrangements," but did not have a material effect on the financial statements. Other than the adoption of GASB Statement No. 96, no new accounting policies were adopted, and the application of existing policies was not changed during 2023. We noted no transactions entered into by BOCES during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting BOCES' financial statements were depreciation expense, other postemployment benefits (OPEB) liability obligations, and pension obligations.

Management's estimates of depreciation expense, OPEB, and pension obligations are based on various assumptions. Depreciation estimates are based on the historical cost of assets and their estimated useful lives. OPEB estimates are based on actuarial calculations. Pension obligations are based on BOCES' actuarially determined proportionate share of the NYS Employees' Retirement System Plans' assets or liabilities. We evaluated the key factors and assumptions used to develop the depreciation expense, OPEB, and pension obligations estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosures related to capital assets, long-term debt, pension obligations, OPEB, restricted fund balance, and lease liabilities in Notes 5, 7, 9, 10, 12, and 13 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

#### **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements identified as a result of audit procedures, other than those considered to be trivial, detected as a result of audit procedures.

#### **Disagreements With Management**

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

#### **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated September 15, 2023.

#### **Management Consultations With Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to BOCES' financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as BOCES' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **Other Matters**

We applied certain limited procedures to Management's Discussion and Analysis; budgetary comparison information; the Schedule of Changes in BOCES' Total OPEB Liability and Related Ratios; the Schedules of BOCES' Contributions - NYSLRS and NYSTRS Pension Plans; and the Schedules of BOCES' Proportionate Share of the Net Pension (Asset)/Liability; which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Analysis of Account A431 School Districts; the Schedule of General Fund Revenues and Expenditures Compared to Budget; and the Schedule of Project Expenditures - Capital Projects Fund; which accompany the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### **Restriction on Use**

This information is intended solely for the use of the Audit Committee, the Board of Education, and management of Cayuga-Onondaga BOCES 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, flowing style.

Inero & Co. CPAs, LLP  
Certified Public Accountants

Ithaca, New York  
September 15, 2023