

HOMER CENTRAL SCHOOL DISTRICT

AGREED - UPON PROCEDURES

INTERNAL AUDIT TESTING

Raymond F. Wager, CPA, P.C.
Certified Public Accountants

Shareholders:

Raymond F. Wager, CPA
Thomas J. Lauffer, CPA
Thomas C. Zuber, CPA

Members of
American Institute of
Certified Public Accountants
and
New York State Society of
Certified Public Accountants

June 3, 2013

Ms. Nancy Ruscio, Superintendent
Homer Central School District
P.O. Box 500
80 South West Road
Homer, New York 13077

Dear Ms. Ruscio:

In accordance with your request, we will perform the agreed-upon procedures enumerated below, which have been agreed to by the Homer Central School District Audit Committee to evaluate the internal controls over the cash disbursements process designed and implemented by District's Management, a risk area identified from the District's risk assessment for the year ended June 30, 2013. This engagement is solely to assist the Audit Committee in evaluating these controls.

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Because the agreed-upon procedures listed below do not constitute an examination, we will not express an opinion on the sufficiency of the procedures or the results of our testing. In addition, we have no obligation to perform any procedures beyond those listed below:

The procedures to be performed will be as follows:

- A. We will obtain warrants for checks issued during the test period and will select a sample of payments and will obtain voucher packets and evaluate the sufficiency of the documentation supporting cash disbursements in accordance with District policies and procedures.
- B. We will request a year-to-date payment by vendor report and select a sample of vendors paid at different dollar thresholds and observe documentation supporting adherence with the District's procurement policy; i.e. verbal quotes, written quotes or formal bid.
- C. We will select a sample of disbursements for the following and evaluate the adequacy of supporting documentation and proper authorization:
 1. Conferences and meals
 2. District credit card usage
 3. Employee reimbursements

Ms. Nancy Ruscio, Superintendent
Homer Central School District

(Continued)


- D. We will review the claims auditor reporting to the Board along with follow-up procedures performed by the claims auditor regarding findings noted. We will also evaluate the completeness of the report regarding the detail provided for exceptions noted.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of the Homer Central School District Audit Committee, and should not be used by anyone other than this specified party. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Our fee to complete the above services will be billed under the existing agreement with Homer Central School District dated January 22, 2013 to perform a risk assessment and test one risk area. The estimated cost to complete will not exceed \$3,500.

If the above terms are acceptable, please sign the enclosed copy where indicated and return it to us. Should you have any questions concerning the items discussed, please do not hesitate to call.

Sincerely,
Raymond F. Wager, CPA, P.C.



Raymond F. Wager

Accepted:

By: _____ Date: _____

Raymond F. Wager, CPA, P.C.