



*Proven Expertise & Integrity*

December 22, 2022

Board of Commissioners  
Burlington School District  
150 Colchester Avenue  
Burlington, Vermont 05401

### MANAGEMENT LETTER

In planning and performing our audit of the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Burlington School District as of and for the year end June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Burlington School District's internal control. We did so to determine our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for expressing our opinion on the effectiveness of the Burlington School District's internal control over financial reporting or compliance.

During our audit we became aware of several matters referred to as "management letter comments" that offer opportunities for strengthening internal control and improving operating efficiencies of the Burlington School District. The following pages summarizes our comments and suggestions on those matters.

This report is intended solely for the information and use of the Burlington School District's management and others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

These matters do not modify our opinion on the financial statements for the year ended June 30, 2022, where we expressed an unmodified opinion on our independent auditor's report dated January 26, 2023.

**Bank Reconciliations**

While performing the audit for the above-mentioned fiscal year, we noted that bank reconciliations were not signed by the individual completing the reconciliation. We recommend that all bank reconciliations be completed and reviewed within 30 days of the bank statement date to help ensure accuracy and completeness of transactions in the correct reporting period and to help avoid material misstatements in the financial statements. We recommend that management establish procedures that address all outstanding checks older than 6 months from the date of issuance to help avoid material misstatements in the financial statements. (Some examples of ways to address these checks are: voiding and reissuing a new check to the payee, contacting the payee directly, submitting the payment information through the State's Unclaimed Property Program for payees who cannot be contacted or who do not respond.)

Management's Response: Management has implemented these recommendations for the 2023 fiscal year.

**Student Activity Accounts:**

While performing the audit for the above-mentioned fiscal year, we noted that Student Activity Accounts are not recorded on the School District's main financial software. We recommend that all account activity is posted in a timely manner to the School District's main financial software to help avoid material misstatements in the financial statements. While performing the audit for the above-mentioned fiscal year, we noted that some Student Activity purchases did not have the appropriate backup documentation.

**Payroll:**

While performing the audit for the above-mentioned fiscal year, we noted that non-exempt employees are not completing a timesheet to reconcile hours worked with pay received. It is our recommendation that employees who are on an annualized pay schedule, complete timesheets.

We would like to sincerely thank Nathan, Katie and all the staff of Burlington School District for their assistance in the completion of this engagement.

If there are any questions regarding this letter, please do not hesitate to call.

Sincerely,



RHR Smith & Company, CPAs