

REPORT TO THE BOARD

**ROCHESTER JOINT SCHOOLS
CONSTRUCTION BOARD**

JUNE 30, 2017



February 14, 2018

To the Members of the Board
Rochester Joint Schools Construction Board
1776 North Clinton Avenue
Rochester, New York 14621

Members of the Board:

We are pleased to present this report related to our audit of the basic financial statements of Rochester Joint Schools Construction Board (the "RJSCB") as of and for the year ended June 30, 2017. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the RJSCB's financial reporting process.

This report is intended solely for the information and use of the Board and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the RJSCB.

Very truly yours,

Freed Maxick CPAs, P.C.

Freed Maxick CPAs, P.C.

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Required Communications

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication with Those Charged with Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area	Comments
Our Responsibilities with Regard to the Financial Statement Audit	Our responsibilities under auditing standards generally accepted in the United States of America and <i>Government Auditing Standards</i> , issued by the Comptroller General of the United States, have been described to you in our arrangement letter dated May 9, 2017. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities which are also described in that letter.
Overview of the Planned Scope and Timing of the Financial Statement Audit	We have issued a separate communication regarding the planned scope and timing of our audit and have discussed with you our identification of and planned audit response to significant risks of material misstatement.
Accounting Policies and Practices	Preferability of Accounting Policies and Practices Under generally accepted principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice. Adoption of, or Change in, Accounting Policies Management has the ultimate responsibility for the appropriateness of the accounting policies used by the RJSCB. The RJSCB did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period. Significant or Unusual Transactions We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Area	Comments
Management’s Judgments and Accounting Estimates	Accounting estimates are an integral part of the preparation of financial statements and are based upon management’s current judgement. The process used by management encompasses their knowledge and experiences about past and current events. Management has informed us they used all the relevant facts available to them at the time to make the best judgements about accounting estimates and we considered this information in the scope of our audit. Management has determined that there are no significant estimates and judgements at this time.
Basis of Accounting	The financial statements were prepared on assumption that the entity will continue as a going concern.
Audit Adjustments	There were no audit adjustments made to the original trial balance presented to us to begin our audit.
Uncorrected Misstatements	There were no uncorrected misstatements other than misstatements that are clearly trivial.
Disagreements with Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management’s judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the basic financial statements.
Consultations with Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed with Management	No significant issues arising from the audit were discussed with or the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	We did not encounter any significant difficulties in dealing with management during the audit.
Significant Written Communications Between Management and Our Firm	A copy of certain written communications between our firm and the management of the RJSCB, including representation letter provided to us by management, are attached as Exhibit A.

Exhibit A – Significant Written Communications Between Management and Our Firm

Representation Letter – see attached



Rochester Joint Schools Construction Board

Allen Williams, Chair
Michael Schmidt, Vice Chair
Charles Benincasa, Treasurer
Bob Brown
I Geena Cruz
Norman Jones
Thomas Richards
Brian Sanvidge, ICO

February 14, 2018

Freed Maxick CPAs, P.C.
100 Meridian Centre Blvd
Rochester, NY 14618

This representation letter is provided in connection with your audit of the basic financial statements of the Rochester Joint Schools Construction Board (the RJSCB) as of and for the year ended June 30, 2017 for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief that as of the date of our auditor's report:

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated May 9, 2017, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.

We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.

Related party transactions, including those with other organizations for which the nature and significance of their relationship with the RJSCB are such that exclusion would cause the reporting of the RJSCB's financial statements to be misleading or incomplete, including interfund transactions, interfund accounts and advances receivable and payable, sale and purchase transactions, interfund transfers, long-term loans, leasing arrangements and guarantees, have been recorded in accordance with the economic substance of

the transaction and appropriately accounted for and disclosed in accordance with the requirements of the U.S. GAAP.

All events subsequent to the date of the financial statements, and for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed.

The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

The following have been properly recorded and/or disclosed in the financial statements:

- a. Net position and fund balance classifications.
- b. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
- c. Deposits and investment securities category of risk.

We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, that is not disclosed in the financial statements.

We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.

We have no knowledge of any uncorrected misstatements in the financial statements.

Information Provided

We have provided you with:

- a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
- b. Additional information that you have requested from us for the purpose of the audit;
- c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence; and
- d. Minutes of the meetings of the governing boards and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.

All transactions have been recorded in the accounting records and are reflected in the financial statements.

We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.

We have no knowledge of allegations of fraud or suspected fraud affecting the entity's financial statements involving:

- a. Management.
- b. Employees who have significant roles in internal control.
- c. Others where the fraud could have a material effect on the financial statements.

We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements received in communications from employees, former employees, analysts, regulators, short sellers or others.

We have no knowledge of noncompliance or suspected noncompliance with laws and regulations whose effects were considered when preparing financial statements.

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

We have disclosed to you the identity of the entity's related parties and all the related-party relationships and transactions of which we are aware.

We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the RJSCB's ability to record, process, summarize and report financial data.

We are aware of no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Compliance Considerations

In connection with your audit conducted in accordance with *Government Auditing Standards*, we confirm that management:

Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.

Is responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the auditee.

Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that have a material effect on the determination of financial statement amounts.

Has identified and disclosed to the auditor all instances that have occurred, or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements.

Is responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Acknowledges its responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud.

Has a process to track the status of audit findings and recommendations.

Has identified for the auditor, previous audits, attestation engagements, and other studies related to the audit objectives, and whether related recommendations have been implemented, if applicable.

Has provided views on the auditor's reported findings, conclusions and recommendations as well as management's planned corrective actions for the report.

Acknowledges its responsibilities as it relates to non-audit services performed by the auditor, including a statement that it assumes all management responsibilities; that it oversees the services by designating Charles Benincasa, Treasurer, who possesses suitable skill, knowledge, or experience; that it evaluates the adequacy and results of the services performed; and accepts responsibility for the results of the services.

Rochester Joint Schools Construction Board



Charles Benincasa, Treasurer
Rochester Joint Schools Construction Board