

CITY OF WOONSOCKET, RHODE ISLAND

Woonsocket Education Department
UCOA Report

For the Year Ended June 30, 2017

CITY OF WOONSOCKET, RHODE ISLAND

Woonsocket Education Department

June 30, 2017

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School Superintendent, Woonsocket Education Department
Members of the School Committee
Rhode Island Department of Education

Independent Accountants' Report on Applying Agreed-Upon Procedures

We have performed the procedures enumerated in Exhibit I, which were agreed to by the Woonsocket Education Department and the Rhode Island Department of Education (RIDE), solely to assist the Woonsocket Education Department and RIDE in evaluating the School's compliance with the requirements of the Uniform Chart of Accounts issued by RIDE during the year ended June 30, 2017 and in evaluating the effectiveness of Woonsocket Education Department's internal control over compliance with the aforementioned compliance requirements as of June 30, 2017. Management of the Woonsocket Education Department is responsible for its compliance and its internal control over compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in Exhibit I either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Woonsocket Education Department, the Rhode Island Department of Education, and the Office of the Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Hague, Sahady & Co. PC

January 12, 2018

CITY OF WOONSOCKET, RHODE ISLAND

Woonsocket Education Department Exhibit I

For the Year Ended June 30, 2017

Procedure #1

From the population of detail expenditures comprising the amount reported in the Uniform Chart of Accounts (UCOA) file for the year ended June 30, 2017 uploaded to RIDE as of the final upload date (the UCOA Final Upload File), haphazardly select a sample of transactions, based on the sample size mandated by RIDE, of expenditure transactions and examine vendor invoices or other supporting documentation to determine whether the selected transactions were appropriately classified based on the UCOA classification requirements. A sample of 60 transactions was haphazardly selected.

Results: No exceptions were noted in the current year, all transactions tested were appropriately classified.

Procedure #2

Compare total activity (revenues and expenditures) of the School reported in the UCOA Final Upload File to the respective total activity of the School reported in, or reconciled to, the Town's audited financial statements for the year ended June 30, 2017. Additionally, test a sample of five coding error transactions haphazardly selected from the entity's last error report.

Results:

All coding errors were corrected based on sample tested. See next page for reconciliation between UCOA final upload file and audited financial statements.

Continued

CITY OF WOONSOCKET, RHODE ISLAND

Woonsocket Education Department
Exhibit I

For the Year Ended June 30, 2017

| UCOA - Agreed-upon Procedures - Reconciliation | | |
|--|-------------------|------------------------------|
| UCOA annual upload file reconciled to audited financial statements | | |
| | Revenues | Expenditures/Expenses |
| <i>Amounts from the audited financial statements (funds that include activity included in the total UCOA upload file):</i> | | |
| School Unrestricted Fund | \$ 62,207,736 | \$ 76,719,054 |
| School Special Revenue Funds | 8,689,320 | 8,630,012 |
| School Capital Projects Funds | 2,564,897 | 936,931 |
| Permanent Funds | 441 | 350 |
| Fiduciary Funds | 2,174 | 500 |
| Enterprise Fund | 3,271,050 | 3,233,966 |
| Total | 76,735,618 | 89,520,813 |
| <i>Adjustments/reconciling items:</i> | | |
| Less: State share of teacher pension contribution - on-behalf payments | (3,321,422) | (3,321,422) |
| Add: Local appropriation to schools reflected as a transfer on financial statements and revenue per UCOA | 16,166,330 | |
| Less: Depreciation expenses recognized on financial statements NOT recognized for MTP2 or UCOA and net investment in capital assets for school lunch fund as of June 30, 2016 not recognized in UCOA | - | (4,686) |
| Less: For financial statements, indirect cost charges and recovery are reported in federal grant funds and also actual expenditures and reimbursement reported in School Unrestricted Fund | (237,783) | (237,783) |
| Miscellaneous variances between FS and UCOA | 152 | 3 |
| Other reconciling items | - | - |
| Adjusted totals | 89,342,895 | 85,956,925 |
| <i>UCOA - final upload file (including final audit adjustments) specify upload date ____12/28/2017____</i> | | |
| | 89,342,895 | 85,956,925 |
| <i>Adjustments/reconciling items:</i> | | |
| Miscellaneous/Rounding | - | - |
| Adjusted totals | 89,342,895 | 85,956,925 |
| Unreconciled variance | \$ - | \$ - |

CITY OF WOONSOCKET, RHODE ISLAND

Woonsocket Education Department Exhibit I

For the Year Ended June 30, 2017

Procedure #3

Compare amounts reported within Function 421 in the UCOA Final Upload File, if any, to the aggregate of expenditures related to (i) debt service for building and land leases, and (ii) annual or longer term leases for rental of the main School facility (or facilities if the School has more than one location) reported in the Town's audited financial statements for the year ended June 30, 2017.

Results:

Not applicable. No amounts were charged to Function 421 in the current year.

Procedure #4

- a) Determine whether the School's payroll system directly interfaces with the School's general ledger accounting system and whether it is designed to post directly to the appropriate UCOA code, or whether there are a significant number of manual adjustments and journal entries used to allocate payroll-related costs to the appropriate UCOA code. Based on the method used by the School to report payroll-related costs in the appropriate UCOA code, determine whether the School has reasonable and sufficient procedures in place to meet the payroll and related benefit requirements of UCOA.
- b) Haphazardly select and review one payroll period posting to determine whether the School has reported payroll-related costs in accordance with UCOA payroll allocation requirements.

Results:

The Education Department's payroll system directly interfaces with its general ledger accounting system and is designed to post directly to the UCOA codes. Based on this method, it appears that the Education Department has reasonable and sufficient procedures in place to meet the payroll and related benefit requirements of UCOA.

Incorporated with Procedure #1 was the testing of both employees' allocation of payroll expenses and the allocation of related benefit expenses. Both allocations were determined to be in compliance with UCOA payroll allocation requirements.

Continued

CITY OF WOONSOCKET, RHODE ISLAND

Woonsocket Education Department
Exhibit I

For the Year Ended June 30, 2017

Procedure #5

- a) Review union contracts and adopted budget to identify professional development offered to teacher.
- b) Haphazardly select a sample, based on the sample size mandated by RIDE, of transactions from the population of detail expenditures comprising amounts reported in the UCOA Final Upload File that were posted to Object 51113, 51302, 53301 and examine supporting vendor invoices, journal entries, and/or other supporting documentation to determine whether the selected expenditure for professional development costs have been appropriately classified within Object 51113, 51302, and 53301.

Results:

Incorporated with Procedure #1 was the testing of professional development costs. A sample of 7 transactions that were charged to Object 53301, 3 transactions charged to Object 51302, and 2 transactions charged to Object 51113 was selected. Allocations of professional development costs were determined to be in compliance with UCOA requirements.