



**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT COUNTIES OF
MONROE AND ORLEANS**

There will be a Regular Meeting of the Monroe 2-Orleans Board of Cooperative Educational Services on Wednesday, October 15, 2025, at 6:00 pm at the Richard E. TenHaken Educational Services Center, 3599 Big Ridge Road, Spencerport, NY 14559

Anticipated Executive Session immediately following the regular board meeting to discuss the employment history of a particular person

BOARD MEMBERS

Dennis Laba, President
R. Charles Phillips, Vice President
John Abbott
Christa Bowling
Kathleen Dillon

Gerald Maar
Michael May
Stephanie Merkley
James Musshafen
Xavier Williams - Student Board Member

AGENDA

1. Call the Meeting to Order
2. Pledge of Allegiance
3. Agenda Item(s) Modifications
4. Approval of Minutes: September 17, 2025, Regular Meeting Minutes
5. S.H.I.N.E. Awards
6. Public Interaction
7. Financial Reports
 1. Resolution to Accept Treasurer's Report
 2. Resolution to Accept WinCap Report
 3. Internal Claims Log
 4. Quarterly Contract Log
8. Board Presentation - Mengel, Metzger, Barr, CPA 2024-25 Audit - Steve Roland-Tom Zuber
 1. Resolution to Accept the Audit Report entitled Basic Financial Statement for year ended June 30, 2025
 2. Resolution to Accept the Management Letter for the year ended June 30, 2025
 3. Resolution to Accept Corrective Action Plan for the Year Ended June 30, 2025
9. Old Business
10. New Business
 1. Resolution to Approve 2023-2025 Academic Intervention Services Plan
 2. Regional Summer School and Extended School Year Report (Tom Schulte)

3. Board Workshop
4. Board Handbook Planning Discussion
5. Board Docs Discussion

11. Personnel and Staffing
 1. Resolution to Approve Personnel and Staffing Agenda

12. Bids/Lease Purchases
 1. Resolution to Accept Print Shop Supplies Bid
 2. Resolution to Accept Cooperative Fine Paper Bid
 3. Resolution to Accept Cooperative Audio-Visual Equipment Install

13. Executive Officer's Reports
 1. Albany D.S. Report
 2. Local Update

14. Upcoming Meetings/Calendar Events
 - Oct 15 Noon MCSBA District Operations Strathallan
 - 6:00 pm Board Meeting ESC, Board Room
 - Oct 16 6:00 pm CWD Open House WEMOCO
 - Oct 29 5:30 pm MCSBA Board Leadership Strathallan
 - Nov 4 6:00 pm Brockport CSD BOE 40 Allen St., Brockport
 - Nov 5 Noon MCSBA Legislative Strathallan
 - 4:30 pm MCSBA Steering Zoom
 - 5:30 pm CTWE Expo Night WEMOCO
 - Nov 12 Noon MCSBA Information Exchange Strathallan
 - 5:30 pm Board Leadership Strathallan
 - Nov 13 Noon Board Office Agenda Review TBD
 - Nov 15 6:00 pm Educational Foundation Gala Ridgemont CC
 - Nov 19 6:00 pm Board Meeting ESC, Board Room

15. Other Items

16. *Executive Session for the purpose of discussing the employment history of a particular person*

17. Adjournment

1. Call the Meeting to Order
2. Pledge of Allegiance
3. Agenda Modifications - none

4. Approval of Minutes: September 17, 2025, Regular Meeting Minutes

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT COUNTIES OF
MONROE AND ORLEANS**

MINUTES

of the Regular Meeting held on Wednesday, September 17, 2025, at 6:00 p.m. at the Richard E. Ten Haken Educational Services Center, 3599 Big Ridge Road, Spencerport, New York 14559

Members Present

Dennis Laba, President
R. Charles Phillips, Vice President
John Abbott

Michael May
Stephanie Merkley
James Musshafen

Absent: Christa Bowling, Kathleen Dillon,
Gerald Maar

Staff Present

Thomas K. Putnam
Karen Brown
Steve Dawe
Ian Hildreth
Kelly Mutschler

Steve Roland
Thomas Schulte
Jill Slavny
Travis Sleight
Lynda Van Coske

Guests: Becky Maslowski, Tyler Papkey, Andrew Fowler, Karen McJury, Heather Case, Christine Pisaturo-Purcel, Amanda Bianchi, Kim Stephenson, Sim Spagnola, Karrie Freeman

1. The meeting was called to order by President Laba at 6:00 pm.
2. Pledge of Allegiance
3. Agenda Modification
4. Approval of Minutes
Resolved: To Approve the Minutes of the August 20, 2025, Regular Meeting
Moved by J. Abbott, seconded by J. Musshafen; passed unanimously
5. Student Board Member Xavier Williams was unable to attend the meeting and will be introduced at the October Meeting.
6. District Superintendent presented the September S.H.I.N.E. Awards. The board congratulated and thanked the recipients who then left the meeting at 6:07 pm.
7. Public Interaction – There was one speaker
8. Financial Reports
 1. Resolved: To Accept the Treasurer's Report as presented
Moved by J. Abbott, seconded by M. May; passed unanimously
 2. Resolved: To Accept the Win Cap Reports as presented
Moved by J. Musshafen, seconded by S. Merkley; passed unanimously

9. Board Presentations

1. Assistant Superintendent for Human Resources Karen Brown provided the board with the Human Resources Annual Update. The board asked questions and thanked Ms. Brown for the information
2. Director of Operations and Maintenance Travis Sleight presented the annual update for O&M. The board asked some questions and thanked Mr. Sleight, who left the meeting at 6:40 pm.

10. Old Business – There was no old business

11. New Business

1. Resolved: To Waive the Second Reading and Approve Updates to Policy Series 3000 as presented. Lynda VanCoske left the meeting at
Moved by M. May, seconded by C. Phillips; passed unanimously
2. Resolved: To Approve 2025 Regional Summer School Lease Amendments for Greece CSD and Gates CSD
Moved by J. Abbott, seconded by S. Merkley; passed unanimously
3. Resolved: To Approve 2025 Extended School Year Lease Amendment for Spencerport CSD
Moved by M. May, seconded by J. Musshafen; passed unanimously

4. WHEREAS, four (4) BOCES (Onondaga-Cortland-Madison BOCES, Albany-Schoharie-Schenectady-Saratoga BOCES, Madison-Oneida BOCES and Broome-Tioga BOCES) have collaborated and entered into an Article 5 General Municipal Law intermunicipal arrangement for the purpose of improving vendor management and data security and privacy practices for school districts and/or BOCES statewide known as the RIC ONE Risk Operations Center (the "ROC");

WHEREAS, the Monroe 2-Orleans BOCES, through its affiliation with a locally based Regional Information Center, participates with the ROC and desires, for the 2025-2026 fiscal year, to authorize the ROC and its attorneys to negotiate Data Privacy Agreements and related exhibits (DPAs) with vendors and third-party contractors that include the requirements of, and compliance with, New York State Education Law Section 2-d and Part 121 Regulations (collectively, "Ed Law 2d") related to student personally identifiable information (PII) and certain Teacher and Principal APPR data;"

WHEREAS, the ROC also partners with NYSED, the Access4Learning Student Data Privacy Consortium (SDPC) and The Education Cooperative (TEC), to negotiate and approve Ed Law 2-d compliant DPAs;

WHEREAS the DPAs are presented to school districts and/or BOCES for final execution and do not require the expenditure of funds beyond those budgeted;

BE IT RESOLVED, the Monroe 2-Orleans Board of Cooperative Educational Services authorizes the use of DPAs negotiated by the RIC ROC and its attorneys, consistent with its needs and the needs of its students; and

BE IT FURTHER RESOLVED, that the Monroe 2-Orleans Board of Cooperative Educational Services reserves to itself the right to make determinations regarding the use of such DPAs and the software and/or technology resources to which they relate.

Moved by J. Abbott, seconded by S. Merkley; passed unanimously;

5. BE IT HEREBY RESOLVED that the Monroe 2-Orleans Board of Cooperative Educational Services hereby accepts the gift of scrap fabricating metal from SPX, Inc. for the duration of the 2025-2026 school year with these conditions:
The scrap fabricating metal will not require Monroe 2-Orleans BOCES to expend funds in accepting delivery of the metal. SPX does not place any encumbrance on the acceptance of this donation. The scrap metal is only to be used for CTE students in the welding class for academic purposes. None of the metal can be removed from Monroe 2-Orleans BOCES premises or otherwise sold.

Moved by M. May, seconded by J. Musshafen; passed unanimously;

6. Assistant Superintendent of Instructional Programs Thomas Schulte reviewed the Annual Update on School Safety and the Educational Climate (SSEC) with the board.
7. Dr. Putnam and the board reviewed Assistant Superintendents' feedback on the proposed NYSSBA resolutions. The discussion will inform the board's voting delegate during the NYSSBA vote on the resolutions in October 2025. The board thanks the administrators for providing feedback.

12. Personnel and Staffing

1. Resolved: To Approve the Personnel and Staffing Agenda and Addendum as presented

Moved by J. Musshafen, seconded by S. Merkley; passed unanimously

13. Bids/Lease Purchases – There were no bids/ lease purchases to approve

14. Student Representative Report – Student member was absent

15. Executive Officer's Report

Albany Updates:

- Regionalization Plans due October 1, 2025. Focus areas:
 - Creation of a Regionalization Steering Committee
 - Transportation
 - Address Waitlists in Special Education & CTE
 - Early College Access Coser
 - Universal Prekindergarten (UPK)
 - Regional Supports for Mental Health and Drug/Alcohol Counseling
 - Alternative HS/Expansion of Tutoring/Distance Learning
- BOCES Expo for Board of Regents (November 3rd)
 - In addition to the Annual BOCES Expo held in the spring
 - Audience is the Board of Regents & State Education Dept
 - Location is the SED building in Albany
 - BOCES 2 will be showcasing our Phlebotomy Program (CTE)
- NY Inspires & Portrait of a Graduate
 - 26-27 is Year 1
 - We anticipate the Board of Regents approving new standards and graduation measures this fall.

Local Updates

- Plan for JUUL Funds
 - Partnership between Monroe 1 BOCES and Monroe 2-Orleans BOCES
- Department of Exceptional Children – Update
- First Day of School for students. District Superintendent and Assistant Superintendent Thomas Schulte visited Terry Taylow, Ridgecrest, Westview, and WEMOCO on the first day of school.
- BOCES 2 CTE Careers in Agriculture Open House – October 2, 2025

16. Upcoming Meetings/Calendar Events – the various meetings for the month were listed in the agenda

17. Other Items – there were no other items

18. Executive Session

At 7:05 pm, S. Merkley made a motion to adjourn the meeting to executive session to discuss particular matter (s) regarding the district-wide school safety plan that will imperil public safety if disclosed; seconded by J. Abbott; passed unanimously

Respectfully Submitted



Kelly Mutschler
Clerk of the Board

Members Present

Dennis Laba, President
R. Charles Phillips, VP
John Abbott

Michael May
Stephanie Merkley
James Musshafen

Others present: Thomas Putnam, Steve Roland

At 7:10 pm, a motion was made by Stephanie Merkley, seconded by J. Abbott to come out of Executive Session; passed unanimously.

Resolved: To Approve the 2025-26 Monroe 2-Orleans BOCES building-level emergency response plans for:

- 2025-26 Springdale Farms, 696 Colby St., Spencerport, NY 14559
- 2025-26 Paul Road Transition Program, 849 Paul Road, North Chili, NY 14624

Resolved: To Approve Updated NYSED Language and Appendix N for the 2025-26 Emergency Response Plans approved by the board on August 20, 2025, listed below:

- 2025-26 BOCES 4 Science, 771 Elmgrove Rd, Gates, NY 14624
- 2025-26 CaTS Comm and Tech Service Center, 3625 Buffalo Road, Gates, NY
- 2025-26 CMC Warehouse, 35 Turner Drive, Spencerport, NY
- 2025-26 Educational Services Center, 3599 Big Ridge Road, Spencerport, NY
- 2025-26 Ridgecrest, 3625 Buffalo Road, Gates, NY
- 2025-26 Rochester Tech Park, 160 Wallace Way, Gates, NY
- 2025-26 Village Plaza 16-18-20 Slayton Ave Spencerport NY

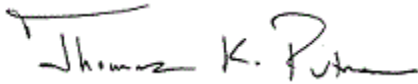
- 2025-26 WEMOCO 3589 Big Ridge Rd. Spencerport NY
- 2025-26 Westside Academy 3555 Buffalo Road, Gates, NY
- 2025-26 Westview, 3635 Buffalo Road, Gates, NY

Resolutions after executive session were moved together by C. Phillips, seconded by S. Merkley, passed unanimously

17. Adjournment

At 7:12 pm, a motion was made by J. Musshafen, to adjourn the meeting, seconded by S. Merkley; passed unanimously.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas K. Putnam". The signature is written in a cursive, flowing style.

Thomas K. Putnam
District Superintendent, Clerk Pro Tem

5. S.H.I.N.E. Awards

6. Public Interaction

7. Financial Reports

1. Resolution to Accept Treasurer's Report
2. Resolution to Accept WinCap Report
3. Internal Claims Log
4. Quarterly Contract Log

Monroe 2 - Orleans BOCES

Treasurer's Report

Period Ending August 31, 2025

	GENERAL FUND		SPECIAL AID FUND	
BEGINNING CASH ON HAND		17,963,757.26		1,002,070.97
RECEIPTS:				
Interest Earned	74,191.29		315.59	
Charges for Services	4,327,998.69		-	
Non-Contract Services	38,852.62		-	
Collected for Other Funds	-		-	
State, Federal and Local Aid	29,626.00		1,084,445.72	
Transfers from Other Funds	362,908.53		-	
Miscellaneous Funds	97,575.90		-	
TOTAL RECEIPTS	4,931,153.03	4,931,153.03	1,084,761.31	1,084,761.31
DISBURSEMENTS				
Payroll and Benefits	3,982,484.94		900.00	
Warrants	7,858,681.92		136,743.26	
Transfers to Other Funds	-		362,908.53	
Miscellaneous Disbursements	61.00		1,365.72	
TOTAL DISBURSEMENTS	11,841,227.86	(11,841,227.86)	501,917.51	(501,917.51)
ENDING CASH ON HAND:		11,053,682.43		1,584,914.77
GENERAL FUND CHECKING		4,482,875.67	SPECIAL AID CHKG - CHASE	1,584,914.77
GENERAL FUND CLASS		1,436,316.60	SPECIAL AID CHKG - M&T	-
PAYROLL CHECKING		87,569.36		
DENTAL/FSA ACCOUNT CASH		126,111.21		
GENERAL FUND CD		1,037,680.36		
CASH- LIABILITY RESERVE		579,783.28		
CASH- UNEMPLOYMENT RES		214,692.45		
CASH- CTE RESERVE		30,830.56		
CASH - INSURANCE RESERVE		336,865.75		
TREASURY INVESTMENTS		2,720,957.19		
		11,053,682.43		1,584,914.77

BEGINNING CASH ON HAND**RECEIPTS:**

Interest Earned
Component Contributions
Transfers from Other funds
Donations
Miscellaneous Funds

TOTAL RECEIPTS**DISBURSEMENTS**

Warrants
Scholarships
Transfers to Other Funds
Miscellaneous Disbursements

TOTAL DISBURSEMENTS**ENDING CASH ON HAND:****MISC SPECIAL REVENUE**

221,623.90

450.36

-

-

-

-

450.36

450.36

-

-

-

-

-

-

222,074.26

B4 SCIENCE

146,981.37

GIFT FUND SAVINGS

75,092.89

222,074.26

CAPITAL FUND

4,218,701.39

8,431.40

-

-

-

-

8,431.40

8,431.40

88,337.89

-

-

-

88,337.89

(88,337.89)

4,138,794.90

CAPITAL FUND CHECKING

323,692.02

CAPITAL FUND INVESTMENTS

3,815,102.88

4,138,794.90

----- CUSTODIAL FUNDS -----					
	Rochester Area School Health Plan I	Rochester Area School Health Plan II	Rochester Area School Workers' Comp Plan	Wayne Finger Lakes Workers' Comp Plan	TOTAL CUSTODIAL
BEGINNING CASH ON HAND	18,695,085.94	137,493,054.68	44,646,782.55	112,323.64	200,947,246.81
RECEIPTS:					
Interest Earned	25,907.09	271,943.50	90,885.95	-	
Temporary Loan	-	-	(200,000.00)	200,000.00	
Contributions	1,344,838.78	22,349,351.91	1,083,168.00	-	
Miscellaneous Funds	477,346.47	-	1,664.89	661.82	
TOTAL RECEIPTS	1,848,092.34	22,621,295.41	975,718.84	200,661.82	25,645,768.41
DISBURSEMENTS					
Claims	1,543,833.16	30,012,132.41	505,139.54	257,322.71	
Admin and Other Disbursements	91,403.84	768,317.54	-	-	
TOTAL DISBURSEMENTS	1,635,237.00	30,780,449.95	505,139.54	257,322.71	(33,178,149.20)
ENDING CASH ON HAND:	18,907,941.28	129,333,900.14	45,117,361.85	55,662.75	193,414,866.02
RASHP I CHECKING	3,284,618.67				3,284,618.67
RASHP I SAVINGS / INVESTMENTS	8,214,240.51				8,214,240.51
RASHP II CHECKING		8,887,161.54			8,887,161.54
RASHP II SAVINGS / INVESTMENTS		69,261,154.47			69,261,154.47
RASWC CHECKING			2,302,966.80		2,302,966.80
RASWC SAVINGS / INVESTMENTS			25,425,050.54		25,425,050.54
WFL WC CHECKING				55,662.75	55,662.75
TREASURY INVESTMENTS	7,409,082.10	51,185,584.13	17,389,344.51		75,984,010.74
TOTAL CASH	18,907,941.28	129,333,900.14	45,117,361.85	55,662.75	193,414,866.02

Collateral Analysis	M&T Bank	Five Star Bank	Chase Bank
Bank Totals	16,028,569.58	81,037,224.43	7,169,467.03
<i>Collateral:</i>			
FDIC	500,000.00	250,000.00	250,000.00
Additional FDIC through CD Option	-	81,037,214.09	-
Collateral held by Bank	-	-	9,693,801.70
Collateral held by Third Party	17,277,438.77	17,176,001.05	-
	17,777,438.77	98,463,215.14	9,943,801.70
Over / (Under) Collateralized	1,748,869.19	17,425,990.71	2,774,334.67

Treasurer's Notes:

There is turnover at WFL BOCES, and our claim reimbursement for July was not paid, necessitating a loan from RASWC to prevent a negative cash balance.

Our Wemoco student-built ranch home from 24-25 sold at auction for \$35,400.

This is to certify that I have received these balances:


District Clerk

10/7/2024
Date


Assistant Superintendent for Finance and Operations

10/7/25
Date


Treasurer

10/02/25
Date

MONROE 2 - ORLEANS BOCES

Budget Status Report As Of: 09/30/2025

Fiscal Year: 2026

Fund: A GENERAL FUND

Budget Account	Description	Initial Appropriation	Adjustments	Current Appropriation	Year-to-Date Expenditures	Encumbrance Outstanding	Unencumbered Balance
0 Administration							
100 SALARIES		1,469,952.00	0.00	1,469,952.00	395,097.06	1,041,895.92	32,959.02
200 EQUIPMENT		18,750.00	111,657.88	130,407.88	0.00	111,657.88	18,750.00
300 SUPPLIES		17,050.00	3,200.00	20,250.00	6,575.79	10,358.08	3,316.13
400 CONTRACTUAL		525,092.00	312,257.19	837,349.19	274,980.42	378,636.73	183,732.04
470 Rental of Facilities		2,760,820.00	0.00	2,760,820.00	615,547.00	1,358,572.54	786,700.46
700 INTEREST ON REVENUE NOTES		5,000.00	0.00	5,000.00	0.00	0.00	5,000.00
800 EMPLOYEE BENEFITS		798,626.00	-6,700.00	791,926.00	104,764.54	213,774.88	473,386.58
899 Oth Post Retirement Benft		5,738,618.00	0.00	5,738,618.00	2,450.59	0.00	5,736,167.41
910 TRANSFER TO CAPITAL FUND		1,093,058.00	0.00	1,093,058.00	0.00	0.00	1,093,058.00
950 TRANSFER FROM O & M		83,628.00	0.00	83,628.00	0.00	0.00	83,628.00
960 TRANSFER CHARGE		302,096.00	638.00	302,734.00	638.00	0.00	302,096.00
Subtotal of 0 Administration		12,812,690.00	421,053.07	13,233,743.07	1,400,053.40	3,114,896.03	8,718,793.64
1 Career Education							
100 SALARIES		6,278,948.00	-24,223.00	6,254,725.00	776,715.78	5,022,941.18	455,068.04
200 EQUIPMENT		185,000.00	-2,772.42	182,227.58	31,827.26	145,395.49	5,004.83
300 SUPPLIES		542,025.00	30,481.89	572,506.89	148,409.30	223,993.13	200,104.46
400 CONTRACTUAL		562,750.00	-8,443.45	554,306.55	125,430.85	234,057.84	194,817.86
800 EMPLOYEE BENEFITS		3,292,534.00	0.00	3,292,534.00	147,794.50	905,839.68	2,238,899.82
950 TRANSFER FROM O & M		1,789,794.00	0.00	1,789,794.00	0.00	0.00	1,789,794.00
960 TRANSFER CHARGE		669,565.00	25,333.62	694,898.62	25,333.62	0.00	669,565.00
990 TRANS CREDITS FR OTHER FUND		-1,000.00	0.00	-1,000.00	0.00	0.00	-1,000.00
Subtotal of 1 Career Education		13,319,616.00	20,376.64	13,339,992.64	1,255,511.31	6,532,227.32	5,552,254.01
2 Special Education							
100 SALARIES		6,245,075.00	0.00	6,245,075.00	542,144.57	5,078,011.24	624,919.19
200 EQUIPMENT		76,108.00	54,435.81	130,543.81	54,259.25	9,417.90	66,866.66
300 SUPPLIES		67,823.00	10,515.57	78,338.57	6,516.74	34,525.14	37,296.69
400 CONTRACTUAL		1,908,040.96	-6,798.04	1,901,242.92	3,514.17	36,752.68	1,860,976.07
490 SCH DIST AND OTHER BOCES		7,630,599.52	0.00	7,630,599.52	847,158.01	0.00	6,783,441.51
800 EMPLOYEE BENEFITS		3,874,704.00	0.00	3,874,704.00	38,925.75	388,467.97	3,447,310.28
950 TRANSFER FROM O & M		710,478.00	0.00	710,478.00	0.00	0.00	710,478.00
960 TRANSFER CHARGE		17,596,420.00	382.93	17,596,802.93	382.93	0.00	17,596,420.00
Subtotal of 2 Special Education		38,109,248.48	58,536.27	38,167,784.75	1,492,901.42	5,547,174.93	31,127,708.40
3 Itinerent Services							
100 SALARIES		10,448,626.00	-482,670.25	9,965,955.75	948,215.47	8,287,579.74	730,160.54
200 EQUIPMENT		183,280.00	-8,871.15	174,408.85	6,800.00	51,028.38	116,580.47
300 SUPPLIES		62,387.00	1,100.00	63,487.00	1,865.56	15,675.98	45,945.46
400 CONTRACTUAL		689,872.00	357,806.85	1,047,678.85	180,849.13	381,065.92	485,763.80
490 SCH DIST AND OTHER BOCES		29,715.35	-2,303.50	27,411.85	2,905.66	0.00	24,506.19
800 EMPLOYEE BENEFITS		5,901,950.00	-10,000.00	5,891,950.00	74,014.00	655,090.35	5,162,845.65

MONROE 2 - ORLEANS BOCES

Budget Status Report As Of: 09/30/2025

Fiscal Year: 2026

Fund: A GENERAL FUND

Budget Account	Description	Initial Appropriation	Adjustments	Current Appropriation	Year-to-Date Expenditures	Encumbrance Outstanding	Unencumbered Balance
950 TRANSFER FROM O & M		5,456.00	0.00	5,456.00	0.00	0.00	5,456.00
960 TRANSFER CHARGE		2,041,372.00	0.00	2,041,372.00	0.00	0.00	2,041,372.00
970 TR CREDITS FR SERVICE PROGR		-11,100,802.00	0.00	-11,100,802.00	0.00	0.00	-11,100,802.00
Subtotal of 3 Itinerent Services		8,261,856.35	-144,938.05	8,116,918.30	1,214,649.82	9,390,440.37	-2,488,171.89
4 General Instruction							
100 SALARIES		2,341,247.00	0.00	2,341,247.00	1,149,149.68	1,025,481.68	166,615.64
200 EQUIPMENT		6,000.00	0.00	6,000.00	0.00	0.00	6,000.00
300 SUPPLIES		14,655.00	95.69	14,750.69	3,093.70	6,409.81	5,247.18
400 CONTRACTUAL		624,881.38	7,204.96	632,086.34	231,528.78	45,685.62	354,871.94
490 SCH DIST AND OTHER BOCES		627,702.79	103,540.10	731,242.89	73,091.21	0.00	658,151.68
800 EMPLOYEE BENEFITS		903,931.00	0.00	903,931.00	201,721.46	186,201.31	516,008.23
950 TRANSFER FROM O & M		189,699.00	0.00	189,699.00	0.00	0.00	189,699.00
960 TRANSFER CHARGE		251,299.00	3,806.04	255,105.04	3,806.04	0.00	251,299.00
970 TR CREDITS FR SERVICE PROGR		-51,095.00	0.00	-51,095.00	0.00	0.00	-51,095.00
990 TRANS CREDITS FR OTHER FUND		-2,835.00	0.00	-2,835.00	0.00	0.00	-2,835.00
Subtotal of 4 General Instruction		4,905,485.17	114,646.79	5,020,131.96	1,662,390.87	1,263,778.42	2,093,962.67
5 Instruction Support							
100 SALARIES		6,656,618.00	30,623.00	6,687,241.00	1,277,754.20	4,889,621.08	519,865.72
200 EQUIPMENT		5,809,974.00	1,204,010.98	7,013,984.98	732,627.45	864,063.59	5,417,293.94
300 SUPPLIES		928,724.00	90,487.95	1,019,211.95	351,907.99	135,716.19	531,587.77
400 CONTRACTUAL		11,014,763.00	832,346.13	11,847,109.13	4,057,640.85	1,139,969.01	6,649,499.27
490 SCH DIST AND OTHER BOCES		999,850.16	-63,714.32	936,135.84	193,545.43	0.00	742,590.41
800 EMPLOYEE BENEFITS		3,355,411.00	0.00	3,355,411.00	270,692.64	866,920.04	2,217,798.32
950 TRANSFER FROM O & M		1,058,191.00	0.00	1,058,191.00	0.00	0.00	1,058,191.00
960 TRANSFER CHARGE		1,385,943.00	2,615.50	1,388,558.50	2,615.50	0.00	1,385,943.00
970 TR CREDITS FR SERVICE PROGR		-3,435,920.00	-40,530.21	-3,476,450.21	-40,530.21	0.00	-3,435,920.00
990 TRANS CREDITS FR OTHER FUND		-56,141.00	0.00	-56,141.00	0.00	0.00	-56,141.00
Subtotal of 5 Instruction Support		27,717,413.16	2,055,839.03	29,773,252.19	6,846,253.85	7,896,289.91	15,030,708.43
6 Other Services							
100 SALARIES		2,719,347.00	-74,603.00	2,644,744.00	712,013.57	1,892,365.69	40,364.74
200 EQUIPMENT		455,406.00	539,284.27	994,690.27	220,412.43	545,856.24	228,421.60
300 SUPPLIES		36,393.00	-22,165.17	14,227.83	1,029.78	3,576.69	9,621.36
400 CONTRACTUAL		4,239,758.70	141,252.28	4,381,010.98	673,425.87	1,968,697.13	1,738,887.98
490 SCH DIST AND OTHER BOCES		4,168,353.89	2,441,138.53	6,609,492.42	1,770,826.62	0.00	4,838,665.80
800 EMPLOYEE BENEFITS		1,276,289.00	-19,172.00	1,257,117.00	158,479.75	414,299.05	684,338.20
950 TRANSFER FROM O & M		151,412.00	0.00	151,412.00	0.00	0.00	151,412.00
960 TRANSFER CHARGE		146,520.00	0.00	146,520.00	0.00	0.00	146,520.00
970 TR CREDITS FR SERVICE PROGR		-2,323,275.00	149,262.00	-2,174,013.00	-325.00	0.00	-2,173,688.00
990 TRANS CREDITS FR OTHER FUND		-93,305.00	4,914.00	-88,391.00	0.00	0.00	-88,391.00
Subtotal of 6 Other Services		10,776,899.59	3,159,910.91	13,936,810.50	3,535,863.02	4,824,794.80	5,576,152.68

MONROE 2 - ORLEANS BOCES

Budget Status Report As Of: 09/30/2025

Fiscal Year: 2026

Fund: A GENERAL FUND

Budget Account	Description	Initial Appropriation	Adjustments	Current Appropriation	Year-to-Date Expenditures	Encumbrance Outstanding	Unencumbered Balance
7 Undefined							
100 SALARIES		5,296,110.00	67,065.88	5,363,175.88	1,170,035.70	3,309,148.75	883,991.43
200 EQUIPMENT		110,175.00	18,656.00	128,831.00	12,027.96	22,677.02	94,126.02
300 SUPPLIES		257,563.00	27,043.00	284,606.00	57,182.65	120,495.69	106,927.66
400 CONTRACTUAL		2,318,718.00	154,485.00	2,473,203.00	619,132.28	1,236,547.19	617,523.53
490 SCH DIST AND OTHER BOCES		2,000.00	0.00	2,000.00	0.00	0.00	2,000.00
800 EMPLOYEE BENEFITS		2,718,888.00	-120,828.00	2,598,060.00	464,206.70	2,383,373.54	-249,520.24
950 TRANSFER FROM O & M		739,518.00	0.00	739,518.00	0.00	0.00	739,518.00
960 TRANSFER CHARGE		1,811,204.00	8,079.12	1,819,283.12	8,079.12	0.00	1,811,204.00
970 TR CREDTS FR SERVICE PROGR		-12,021,503.00	-149,587.00	-12,171,090.00	0.00	0.00	-12,171,090.00
990 TRANS CREDTS FR OTHER FUND		-1,232,673.00	-4,914.00	-1,237,587.00	0.00	0.00	-1,237,587.00
Subtotal of 7 Undefined		0.00	0.00	0.00	2,330,664.41	7,072,242.19	-9,402,906.60
Total GENERAL FUND		115,903,208.75	5,685,424.66	121,588,633.41	19,738,288.10	45,641,843.97	56,208,501.34

MONROE 2 - ORLEANS BOCES

Revenue Status Report As Of: 09/30/2025

Fiscal Year: 2026

Fund: A GENERAL FUND

Revenue Account	Service	Description	Original Estimate	Adjustments	Current Estimate	Year-to-Date	Anticipated Balance	Excess Revenue
0 Administration			12,812,690.00	421,053.07	13,233,743.07	6,021,558.72	6,897,740.27	106,608.99
1 Career Education			13,319,616.00	26,889.64	13,346,505.64	4,477,680.78	8,893,030.50	44,582.28
2 Special Education			38,109,248.48	-584,100.17	37,525,148.31	11,774,388.16	25,711,796.88	19,573.00
3 Itinerent Services			8,261,856.35	-710,548.63	7,551,307.72	3,190,624.81	4,385,204.08	24,556.87
4 General Instruction			4,905,485.17	324,282.50	5,229,767.67	1,248,730.27	3,979,410.71	0.00
5 Instruction Support			27,717,413.16	2,423,346.15	30,140,759.31	14,078,886.74	15,294,835.19	1,979.16
6 Other Services			10,782,362.59	3,206,996.67	13,989,359.26	6,333,639.37	7,053,679.54	3,710.15
Total GENERAL FUND			115,908,671.75	5,107,919.23	121,016,590.98	47,125,508.85	72,215,697.17	201,010.45

* Estimated revenue for Carryover Encumbrances from the prior fiscal year will not be realized.

These are estimates to balance the budget

Contractor Report				
July 2025 - September 2025				
Vendor	Department	Amount	Purpose	Term
BEVONA, CHERIE M.	Professional Development	\$41,061.30	Grant Writer	One Year
BUSINESSOLVER COM, INC	Health Consortium	\$125,505.43	Electronic Enrollment System	Multi Year
CAMPUS CONSTRUCTION	Administration	\$54,037.79	Capital Project Vendor	One Year
CAPITAL COMPUTERS ASSOCIATES	Administration	\$118,374.49	Accounting Software	One Year
DAY AUTOMATION SYSTEMS	O&M/Security	\$144,454.96	Building & Security Technology	One Year
DELPHI DRUG AND ALCOHOL COUNCIL, INC	Special Education	\$119,883.00	Consulting Services	One Year
FRONTLINE TECHNOLOGIES GROUP, LLC	Special Education	\$96,185.22	Software for managing absence and time	Multi Year
HUMAIRA HUSSAIN	Special Education	\$109,215.00	Professional Services for Speech	One Year
KIRCHER CONSTRUCTION INC.	Administration	\$212,002.50	Capital Project Vendor	One Year
LABELLA ASSOCIATES, D.P.C.	Administration/CTE	\$96,600.67	Architect & Engineer Services	One Year
PRECISION PROPERTIES	Administration	\$435,499.52	Lease of Building Space	Multi Year
ROBERT GREEN CHRYSLER TRUCK DIVISION	Special Education	\$46,287.00	Chrysler Pacifica	One Year
TURNER DRIVE ASSOCIATES LLC	Administration	\$60,074.00	Lease of Building Space	Multi Year
13		\$1,659,181		

8. Board Presentation - Mengel, Metzger, Barr, CPA 2024-25 Audit – Steve Roland-Tom Zuber
 1. Resolution to Accept the Audit Report entitled Basic Financial Statement for year ended June 30, 2025
 2. Resolution to Accept the Management Letter for the year ended June 30, 2025
 3. Resolution to Accept Corrective Action Plan for the Year Ended June 30, 2025

**BOARD OF COOPERATIVE EDUCATIONAL
SERVICES SECOND SUPERVISORY DISTRICT
OF MONROE AND ORLEANS COUNTIES
BASIC FINANCIAL STATEMENTS
For Year Ended June 30, 2025**



TABLE OF CONTENTS

	<u>Page Number</u>
Independent Auditors' Report	1 - 3
Management's Discussion and Analysis (Unaudited)	4 - 11
Basic Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Balance Sheet - Governmental Funds	14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	15
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to Statement of Activities	16
Statement of Fiduciary Net Position	17
Statement of Changes in Fiduciary Net Position	18
Notes to Financial Statements:	19 - 49
Required Supplementary Information:	
Schedule of Changes in BOCES' Total OPEB Liability and Related Ratio	50
Schedule of the BOCES' Proportionate Share of the Net Pension Liability	51
Schedule of BOCES' Contributions	52
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) And Actual - General Fund	53 - 54
Supplementary Information:	
Combining Balance Sheet - Nonmajor Governmental Funds	55
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	56
Analysis of Account A431 - School Districts	57
Capital Projects Fund Schedule of Project Expenditures	58
Schedule of Expenditures of Federal Awards	59
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	60 - 61



BUSINESS
ADVISORS
AND CPAS

INDEPENDENT AUDITORS' REPORT

To the Board Members
Board of Cooperative Educational Services
Second Supervisory District of Monroe and Orleans Counties

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York (the BOCES), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the BOCES' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the BOCES, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the BOCES and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The BOCES' management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the BOCES' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the BOCES' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the BOCES' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in BOCES' total OPEB liability and related ratio, schedule of the BOCES' proportionate share of the net pension liability, schedule of BOCES contributions, and budgetary comparison information on pages 4-11 and 50-54 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York's basic financial statements. The accompanying supplemental information as listed in the table of contents and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information as listed in the table of contents and schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

As described in Note II to the financial statements, the BOCES adopted GASB Statement No. 101, *Compensated Absences*. As a result, the beginning net position has been restated. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2025 on our consideration of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York's internal control over financial reporting and compliance.

Rochester, New York
October 3, 2025

Mengel, Metzger, Barw & Co. LLP

Board of Cooperative Educational Services
Second Supervisory District of Monroe and Orleans Counties, New York
Management's Discussion and Analysis (MD&A)
June 30, 2025

Introduction

Our discussion and analysis of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York's (BOCES) financial performance provides an overview of the BOCES' financial activities for the year ended June 30, 2025. It should be read in conjunction with the basic financial statements to enhance understanding of the BOCES financial performance, which immediately follows this section.

Financial Highlights

Key financial highlights for fiscal year 2025 are as follows:

The BOCES, governmental fund financial statements report a combined ending fund balance of \$5,110,385, a decrease of \$272,476 over the prior year.

On the government-wide financial statements, the liabilities of the BOCES exceeded assets by \$114,965,218, an increase of \$14,027,317 over the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the BOCES' basic financial statements. The BOCES' basic financial statements are comprised of three components: government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains individual fund statements and schedules in addition to the basic financial statements.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the BOCES' finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the BOCES' assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the BOCES is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The *governmental activities* of the BOCES include administration, career & tech education, instruction for the handicapped, itinerant services, general instruction, instructional support, other services, and depreciation.

The government-wide financial statements can be found on the pages immediately following this section as the first two pages of the basic financial statements.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The BOCES, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the BOCES can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the BOCES' near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The BOCES maintains five individual governmental funds; General Fund, Special Aid Fund, Special Projects Fund, Miscellaneous Special Revenue Fund, and Capital Project Funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for each fund. The BOCES reports the General Fund and the Special Aid Fund, as major funds and the Capital Projects Fund, the Special Projects Fund and the Miscellaneous Special Revenue Fund as nonmajor funds.

The BOCES adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget.

The *Fiduciary Funds* are used to account for assets held by the BOCES in an agency capacity which accounts for assets held by the BOCES on behalf of others. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are *not* available to support the BOCES' programs.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statement section of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the basic financial statement section of the report.

Government-Wide Financial Analysis

A comparative analysis of government-wide financial analysis using the full accrual basis of accounting is provided with prior year history.

Net Position

	Governmental Activities		Total Variance
<u>ASSETS:</u>	<u>2025</u>	<u>2024</u>	
Current and Other Assets	\$ 60,757,472	\$ 51,430,300	\$ 9,327,172
Capital Assets	45,739,395	48,299,755	(2,560,360)
Total Assets	\$ 106,496,867	\$ 99,730,055	\$ 6,766,812
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Deferred Outflows of Resources	\$ 28,713,745	\$ 25,741,360	\$ 2,972,385
<u>LIABILITIES:</u>			
Long-Term Debt Obligations	\$ 122,563,407	\$ 113,981,531	\$ 8,581,876
Other Liabilities	35,344,783	31,548,020	3,796,763
Total Liabilities	\$ 157,908,190	\$ 145,529,551	\$ 12,378,639
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferred Inflows of Resources	\$ 92,267,640	\$ 108,408,662	\$ (16,141,022)
<u>NET POSITION:</u>			
Net Investment in Capital Assets	\$ 36,233,961	\$ 37,211,936	\$ (977,975)
<u>Restricted For:</u>			
Capital Projects	4,554,564	3,238,499	1,316,065
Career Education Instructional Equipment Reserve	440,916	376,306	64,610
Unemployment Reserve	668,907	648,886	20,021
Retirement Contribution Reserve	12,263,033	11,420,421	842,612
Teacher Retirement Contribution Reserve	2,153,152	2,139,973	13,179
Liability Reserve	1,816,210	1,655,686	160,524
Insurance Reserve	926,048	608,485	317,563
Employee Accrued Benefit Liability Reserve	465,849	377,234	88,615
Scholarships	74,883	73,056	1,827
Unrestricted	(174,562,741)	(186,217,280)	11,654,539
Total Net Position	\$ (114,965,218)	\$ (128,466,798)	\$ 13,501,580

Key Variances

- Current and Other Assets increased \$9,327,172 as a result of the TRS pension system reporting a net pension asset and positive financial results increasing cash and investments.
- Long-Term Debt Obligations increased \$8,581,876 as a result of the net pension obligation increasing \$9.4 million.
- Deferred Inflows of Resources decreased \$16,141,022 as a result of differences between expected and actual experience and changes in assumptions.

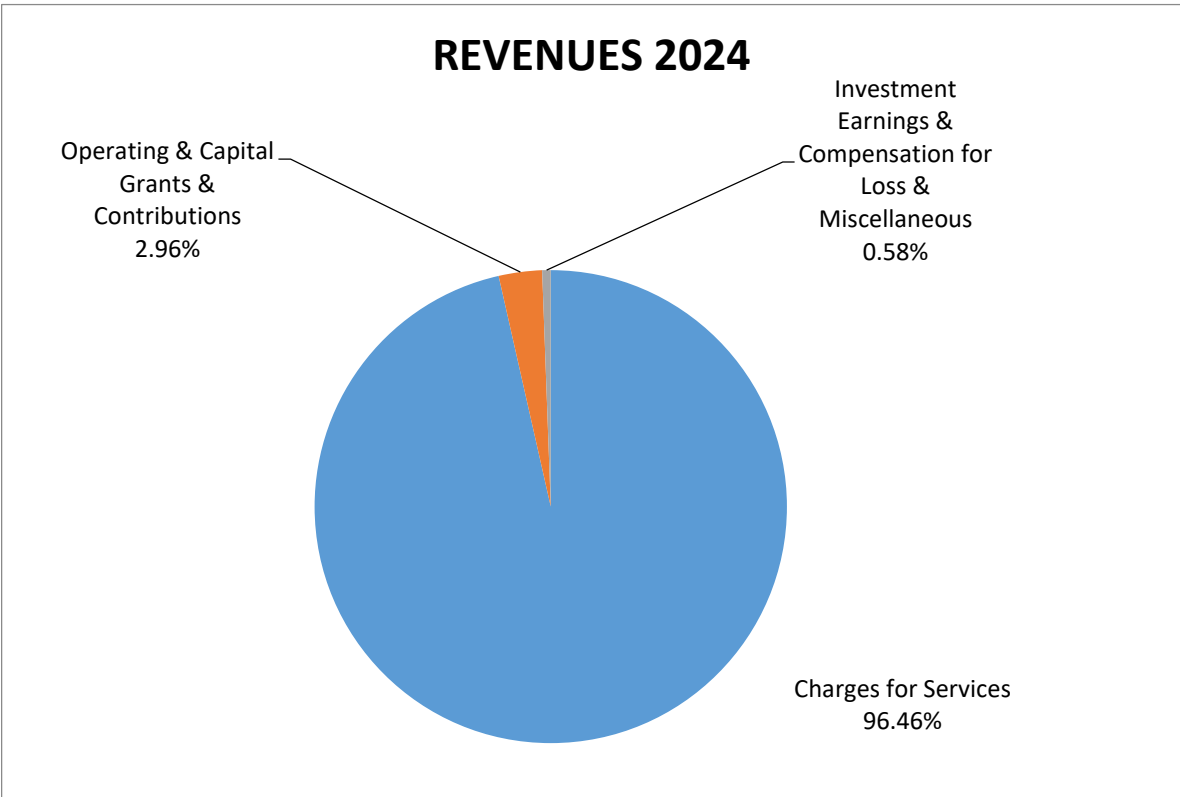
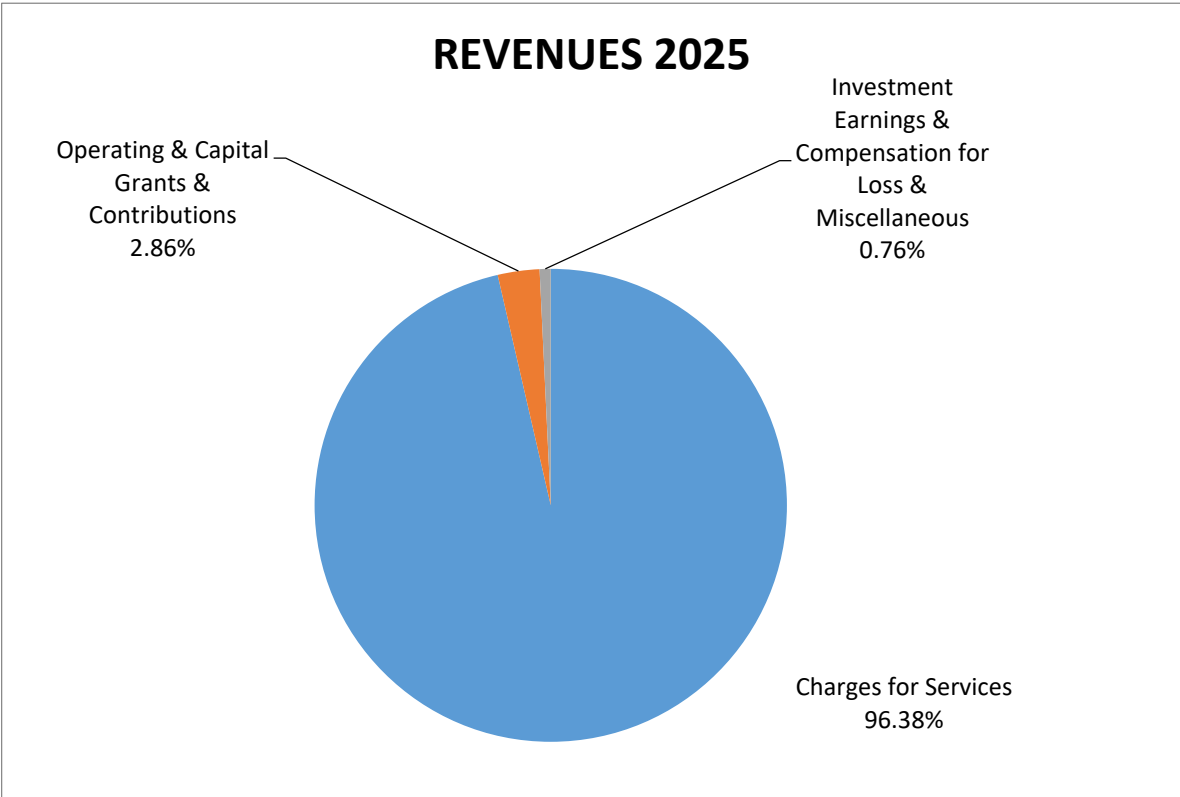
By far, the largest component of the BOCES' net position is reflected in its net investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The BOCES uses these capital assets to provide services to the students and consequently, these assets are not available for future spending.

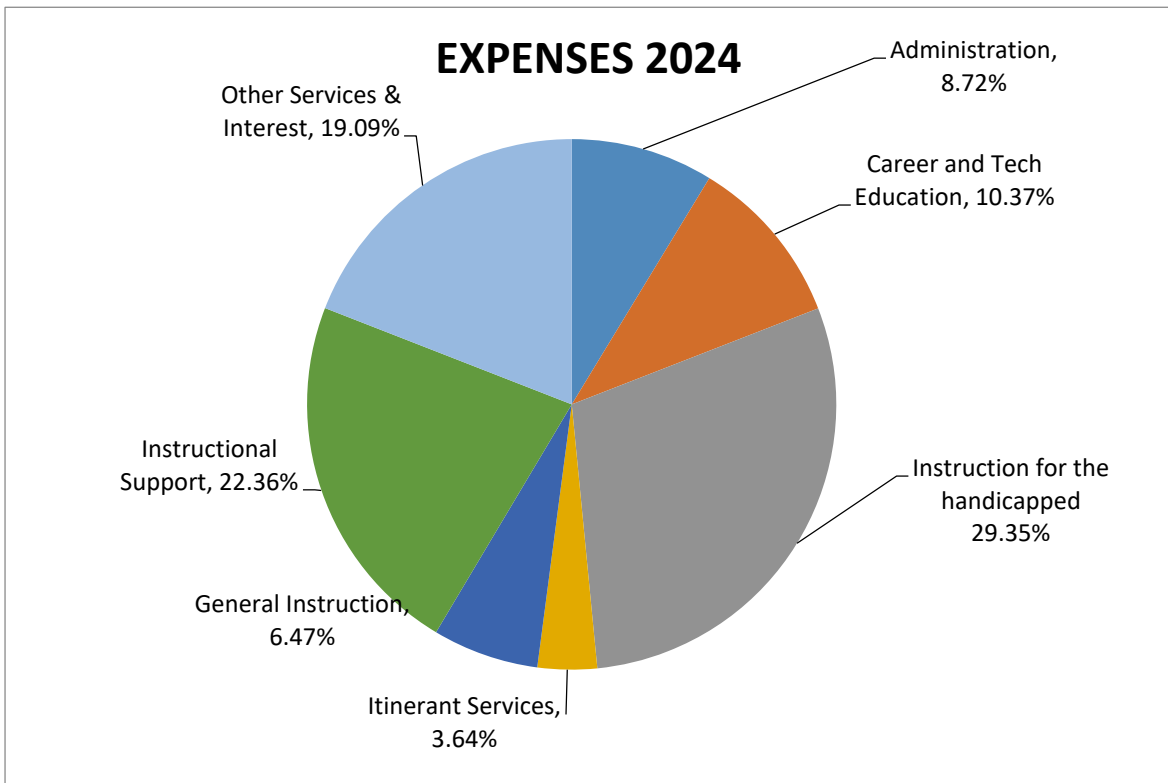
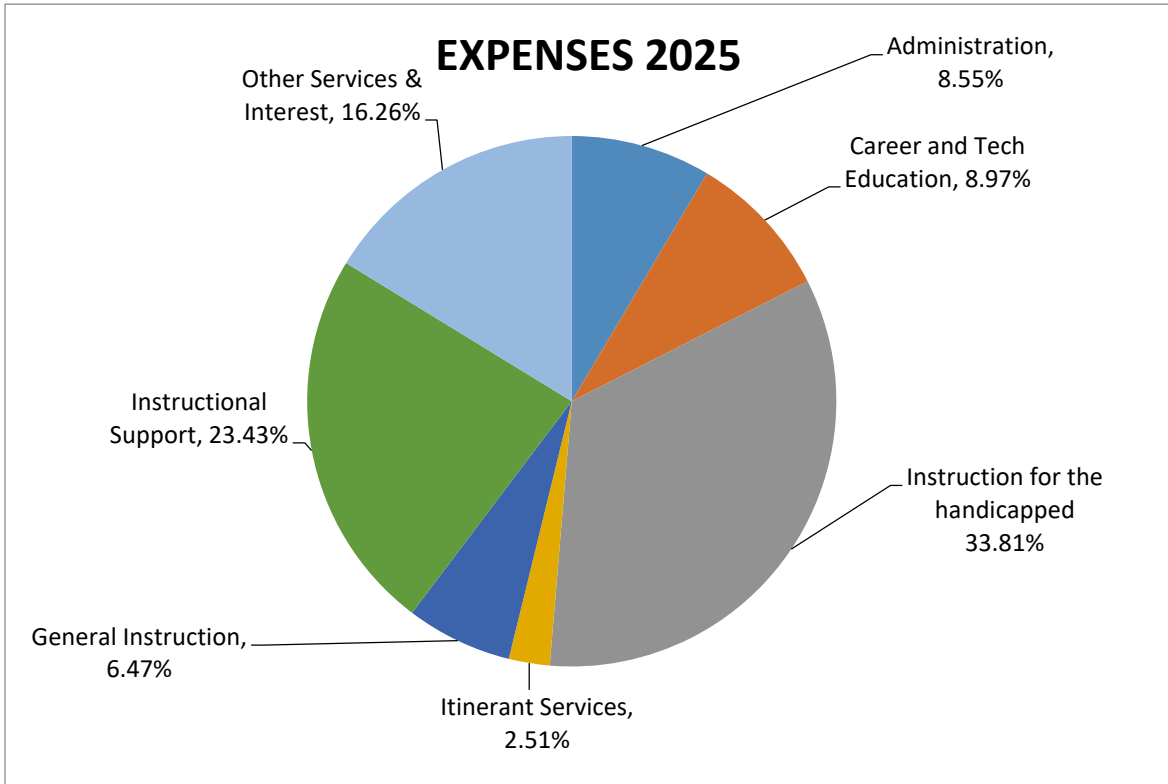
Changes in Net Position

	<u>Governmental Activities</u>		<u>Total Variance</u>
	<u>2025</u>	<u>2024</u>	
<u>REVENUES:</u>			
<u>Program -</u>			
Charges for Service	\$ 133,453,883	\$ 128,795,750	\$ 4,658,133
Operating Grants & Contributions	3,963,669	3,953,567	10,102
Total Program	<u>\$ 137,417,552</u>	<u>\$ 132,749,317</u>	<u>\$ 4,668,235</u>
<u>General -</u>			
Investment Earnings	\$ 941,285	\$ 769,640	\$ 171,645
Compensation for Loss	3,154	4,549	(1,395)
Miscellaneous	102,860	3,747	99,113
Total General	<u>\$ 1,047,299</u>	<u>\$ 777,936</u>	<u>\$ 269,363</u>
TOTAL REVENUES	<u>\$ 138,464,851</u>	<u>\$ 133,527,253</u>	<u>\$ 4,937,598</u>
<u>EXPENSES:</u>			
Administration	\$ 10,634,088	\$ 10,045,680	\$ 588,408
Career and Tech Education	11,163,380	11,945,946	(782,566)
Instruction for the Handicapped	42,067,057	33,799,592	8,267,465
Itinerant Services	3,124,678	4,190,932	(1,066,254)
General Instruction	8,057,281	7,450,600	606,681
Instructional Support	29,155,672	25,747,276	3,408,396
Other Services	19,912,611	21,622,716	(1,710,105)
Interest	322,767	358,271	(35,504)
TOTAL EXPENSES	<u>\$ 124,437,534</u>	<u>\$ 115,161,013</u>	<u>\$ 9,276,521</u>
INCREASE IN NET POSITION	<u>\$ 14,027,317</u>	<u>\$ 18,366,240</u>	
NET POSITION, BEGINNING OF YEAR	<u>(128,992,535)</u>	<u>(146,833,038)</u>	
NET POSITION, END OF YEAR	<u>\$ (114,965,218)</u>	<u>\$ (128,466,798)</u>	
Compensated Absences Adjustment		<u>(525,737)</u>	
2021 RESTATED NET POSITION		<u>\$ (128,992,535)</u>	

Key Variances

- Charges for Service increased \$4,658,133 as a result of additional service request by the component districts and rate increases.
- Instruction for Handicapped increased \$8,267,465 as a result of additional service requests by component districts, and staffing shortages resulting in the need to hire more expensive contractors.
- Instructional Support increased \$3,408,396 as a result of additional service requests by component districts for technology purchases.
- Other Services increased \$2,767,636 as a result of the impact of the GASB 87 and the equipment lease transactions.
- Note that the OPEB liability of \$9.4 million was allocated across all COSERS inflating all the variances.





Financial Analysis of the BOCES' Funds

The financial performance of the BOCES as a whole is reflected in its governmental funds. As the BOCES completed the year, its governmental funds reported combined fund balances of \$5,110,385 which is less than last year's ending fund balance of \$5,382,861. A summary of the General Fund balance classifications is shown below:

<u>General Fund Balances:</u>	<u>2025</u>	<u>2024</u>	<u>Total Variance</u>
Restricted	\$ 18,734,115	\$ 17,226,991	\$ 1,507,124
Assigned	1,876,395	2,425,817	(549,422)
Unassigned	(15,636,992)	(13,255,204)	(2,381,788)
Total General Fund Balances	<u>\$ 4,973,518</u>	<u>\$ 6,397,604</u>	<u>\$ (1,424,086)</u>

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget was \$21,341,562. This change is attributable to additional requests for services by our component and non-component districts.

Capital Assets

At June 30, 2025 the BOCES has \$37,509,635, net of accumulated depreciation invested in a broad range of capital assets, including land, buildings and improvements, and machinery and equipment. The change in capital assets, net of accumulated depreciation, is reflected below:

	<u>2025</u>	<u>2024</u>
<u>Capital Assets</u>		
Land	\$ 118,702	\$ 118,702
Work in Progress	403,120	209,120
Buildings and Improvements	31,698,017	32,967,779
Machinery and Equipment	5,289,796	5,239,542
Total Capital Assets	<u>\$ 37,509,635</u>	<u>\$ 38,535,143</u>
<u>Lease Assets</u>		
Buildings	\$ 8,128,787	\$ 9,582,860
Equipment	100,973	181,752
Total Lease Assets	<u>\$ 8,229,760</u>	<u>\$ 9,764,612</u>

More detailed information about the BOCES' capital assets is presented in the notes to the financial statements.

Long-Term Debt

At June 30, 2025, the BOCES had \$122,563,407 in other long-term debt outstanding as follows:

<u>Type</u>	<u>2025</u>	<u>2024</u>
Installment Purchase Debt	\$ 1,406,462	\$ 1,284,030
Lease Liability	8,098,972	9,803,789
Net Pension Liability	8,866,418	8,997,759
OPEB	102,072,453	92,582,174
Compensated Absences	2,119,102	1,839,516
Total Long-Term Obligations	\$ 122,563,407	\$ 114,507,268

More detailed information about the BOCES' long-term liabilities is presented in the notes to the financial statements.

Factors Bearing on the BOCES' Future

BOCES continually reviews the needs of its components which can result in services being added or removed during the year. In addition, similar to many other organizations, it remains a challenge to find and retain qualified staff.

Requests for Information

This financial report is designed to provide a general overview of the BOCES' finances for all those with an interest in the BOCES' finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

**Board of Cooperative Educational Services
Second Supervisory District of Monroe and Orleans Counties
3599 Big Ridge Road
Spencerport, New York 14559**

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES**

Statement of Net Position

June 30, 2025

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 17,020,445
Investments	13,158,302
Accounts receivable	25,220,585
Due from Districts	1,989,561
Prepaid items	4,005
Net pension asset	3,364,574
Capital Assets:	
Land	118,702
Work in progress	403,120
Other capital assets (net of depreciation)	45,217,573
TOTAL ASSETS	\$ 106,496,867
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow of resources	\$ 28,713,745
LIABILITIES	
Accounts payable	\$ 9,148,990
Accrued liabilities	234,283
Unearned revenue	824,508
Due to other governments	178
State aid due to districts	20,963,602
Due to teachers' retirement system	2,683,254
Due to employees' retirement system	862,055
Overpayments and collections in advance	1,521
Other liabilities	626,392
Long-Term Obligations:	
Due in one year	2,048,532
Due in more than one year	120,514,875
TOTAL LIABILITIES	\$ 157,908,190
DEFERRED INFLOW OF RESOURCES	
Deferred inflow of resources	\$ 92,267,640
NET POSITION	
Net investment in capital assets	\$ 36,233,961
Restricted For:	
Capital projects	4,554,564
Career education instructional equipment reserve	440,916
Unemployment reserve	668,907
Retirement contribution reserve	12,263,033
Teacher retirement contribution reserve	2,153,152
Liability reserve	1,816,210
Insurance reserve	926,048
Employee accrued benefit liability reserve	465,849
Scholarships	74,883
Unrestricted	(174,562,741)
TOTAL NET POSITION	\$ (114,965,218)

(See accompanying notes to financial statements)

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES**

**Statement of Activities
For Year Ended June 30, 2025**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in</u> <u>Net Position</u>
		<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Governmental</u> <u>Activities</u>
<u>Primary Government -</u>				
Administration	\$ 10,634,088	\$ 10,801,829	\$ 5,965	\$ 173,706
Career & tech education	11,163,380	13,404,624	1,811,301	4,052,545
Instruction for the handicapped	42,067,057	42,954,859	438,500	1,326,302
Itinerant services	3,124,678	7,012,333	12,918	3,900,573
General instruction	8,057,281	7,977,205	1,066,480	986,404
Instructional support	29,155,672	27,738,640	628,505	(788,527)
Other services	19,912,611	23,241,626	-	3,329,015
Interest	322,767	322,767	-	-
Total Primary Government	\$ 124,437,534	\$ 133,453,883	\$ 3,963,669	\$ 12,980,018
General Revenues:				
Interest and Earnings				\$ 941,285
Sale of property and compensation for loss				3,154
Miscellaneous				102,860
Total General Revenues				\$ 1,047,299
Changes in Net Position				\$ 14,027,317
Net Position, Beginning of Year, as previously reported				\$ (128,466,798)
Compensated absences adjustment				(525,737)
Net Position, Beginning of Year, as adjusted				\$ (128,992,535)
Net Position, End of Year				\$ (114,965,218)

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES**

**Balance Sheet
Governmental Funds
June 30, 2025**

	Major			Total
	General Fund	Special Aid Fund	Nonmajor Governmental Funds	Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 11,910,448	\$ 442,653	\$ 4,667,344	\$ 17,020,445
Due from other funds	7,558,162	-	370,000	7,928,162
Receivables	22,485,387	2,735,198	-	25,220,585
Due from Districts	1,848,361	141,200	-	1,989,561
Investments	13,158,302	-	-	13,158,302
Prepaid items	4,005	-	-	4,005
TOTAL ASSETS	\$ 56,964,665	\$ 3,319,051	\$ 5,037,344	\$ 65,321,060
LIABILITIES DEFERRED INFLOWS AND FUND BALANCE				
<u>Liabilities</u> -				
Accounts payable	\$ 8,908,653	\$ 82,009	\$ 158,328	\$ 9,148,990
Accrued liabilities	198,129	36,154	-	234,283
Due to other funds	370,000	7,558,162	-	7,928,162
Due to other governments	178	-	-	178
State aid due to districts	20,963,602	-	-	20,963,602
Due to TRS	2,683,254	-	-	2,683,254
Due to ERS	862,055	-	-	862,055
Overpayments and collections in advance	1,521	-	-	1,521
Other liabilities	626,392	-	-	626,392
Unearned revenues	439,633	384,875	-	824,508
TOTAL LIABILITIES	\$ 35,053,417	\$ 8,061,200	\$ 158,328	\$ 43,272,945
<u>Deferred Inflows</u> -				
Deferred inflows of resources	\$ 16,937,730	\$ -	\$ -	\$ 16,937,730
<u>Fund Balances</u> -				
Restricted	\$ 18,734,115	\$ -	\$ 4,629,447	\$ 23,363,562
Assigned	1,876,395	-	249,569	2,125,964
Unassigned	(15,636,992)	(4,742,149)	-	(20,379,141)
TOTAL FUND BALANCE	\$ 4,973,518	\$ (4,742,149)	\$ 4,879,016	\$ 5,110,385
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 56,964,665	\$ 3,319,051	\$ 5,037,344	

**Amounts reported for governmental activities in the
Statement of Net Position are different because:**

Capital assets/right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.

45,739,395

The following long-term obligations are not due and payable in the current period and therefore are not reported in the governmental funds:

Lease Liability	(8,098,972)
OPEB Liability	(102,072,453)
Compensated Absences	(2,119,102)
Installment Purchase Debt	(1,406,462)
Net Pension Asset	3,364,574
Deferred Outflow of Resources - pension	13,020,808
Deferred Outflow of Resources - OPEB	15,692,937
Net Pension Liability	(8,866,418)
Deferred Inflow of Resources - pension	(4,256,782)
Deferred Inflow of Resources - OPEB	(71,073,128)
Net Position of Governmental Activities	\$ (114,965,218)

(See accompanying notes to financial statements)

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For Year Ended June 30, 2025

	Major		Formerly Major		
	General Fund	Special Aid Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Charges for services	\$ 91,678	\$ -	\$ -	\$ -	\$ 91,678
Charges to components	112,898,331	2,139,299	-	-	115,037,630
Charges to non-components and other BOCES	18,067,998	496,720	-	-	18,564,718
Interest and earnings	286,250	2,175	-	196,992	485,417
Sale of property and compensation for loss	14,726	920	-	-	15,646
Miscellaneous	2,011,463	4,766,285	-	121,545	6,899,293
Interfund revenues	-	-	-	1,307,000	1,307,000
State sources	43,549	3,020,183	-	-	3,063,732
Federal sources	5,965	893,972	-	-	899,937
TOTAL REVENUES	\$ 133,419,960	\$ 11,319,554	\$ -	\$ 1,625,537	\$ 146,365,051
EXPENDITURES					
Administration	\$ 9,116,669	\$ -	\$ -	\$ -	\$ 9,116,669
Career and tech education	12,308,045	2,541,098	-	-	14,849,143
Instruction for the handicapped	37,398,445	7,235,079	-	-	44,633,524
Itinerant services	6,871,297	114,984	-	-	6,986,281
General instruction	7,975,578	1,066,480	-	-	9,042,058
Instructional support	30,881,134	637,340	-	-	31,518,474
Other services	21,894,777	-	-	4,500	21,899,277
Capital outlay	-	-	-	1,046,043	1,046,043
Debt service principal	2,434,427	-	-	-	2,434,427
Debt service interest	322,767	-	-	-	322,767
TOTAL EXPENDITURES	\$ 129,203,139	\$ 11,594,981	\$ -	\$ 1,050,543	\$ 141,848,663
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 4,216,821	\$ (275,427)	\$ -	\$ 574,994	\$ 4,516,388
OTHER FINANCING SOURCES (USES)					
Proceeds from obligations	\$ -	\$ -	\$ -	852,043	\$ 852,043
TOTAL OTHER FINANCING SOURCES (USES)	\$ -	\$ -	\$ -	\$ 852,043	\$ 852,043
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ 4,216,821	\$ (275,427)	\$ -	\$ 1,427,037	\$ 5,368,431
OTHER CHANGES IN FUND BALANCE					
Surplus to be distributed	(7,148,031)	-	-	-	(7,148,031)
Net unemployment reserve transactions	20,021	-	-	-	20,021
Net capital reserve transactions	64,610	-	-	-	64,610
Net retirement contribution reserve transactions	842,612	-	-	-	842,612
Net teacher's retirement reserve transactions	13,179	-	-	-	13,179
Net liability reserve transactions	160,524	-	-	-	160,524
Net insurance reserve transactions	317,563	-	-	-	317,563
Net change in employee accrued benefit liability reserve	88,615	-	-	-	88,615
FUND BALANCE, BEGINNING OF YEAR, as previously reported	\$ 6,397,604	\$ (4,466,722)	\$ 3,238,499	\$ 213,480	\$ 5,382,861
Changes within financial reporting entity major to nonmajor	-	-	(3,238,499)	3,238,499	-
FUND BALANCE, BEGINNING OF YEAR, as adjusted	\$ 6,397,604	\$ (4,466,722)	\$ -	\$ 3,451,979	\$ 5,382,861
FUND BALANCE, END OF YEAR	\$ 4,973,518	\$ (4,742,149)	\$ -	\$ 4,879,016	\$ 5,110,385

(See accompanying notes to financial statements)

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to Statement of Activities
For Year Ended June 30, 2025

NET CHANGE IN FUND BALANCES -
TOTAL GOVERNMENTAL FUNDS

\$ (272,476)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following are the amounts by which capital outlays and additions of assets in excess of depreciation in the current period:

Capital Outlay	\$ 1,046,043	
Additions to Assets, Net	562,775	
Depreciation and Amortization	<u>(4,169,178)</u>	
		(2,560,360)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term obligations in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position. The following details these items as they effect the governmental activities:

Debt Repayments	\$ 2,434,427	
Proceeds from Obligations -		
Installment Purchase Debt	<u>(852,043)</u>	
		1,582,384

The net OPEB liability does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.

14,792,496

(Increase) decrease in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds

Teachers' Retirement System	302,950
Employees' Retirement System	568,940

In the Statement of Activities, vacation pay, teachers' retirement incentive and judgments and claims are measured by the amount accrued during the year. In the governmental funds, expenditures for these items are measured by the amount actually paid. The following provides the differences of these items as presented in the governmental activities:

Compensated Absences	<u>(386,617)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 14,027,317

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 127,228,064
Accounts receivable	251,302
Investments	75,491,111
Prepaid expenses	<u>7,839,236</u>
TOTAL ASSETS	<u>\$ 210,809,713</u>
LIABILITIES	
Accounts payable	\$ 7,446,679
Accrued liabilities	68,219,482
Unearned revenue	<u>5,952,069</u>
TOTAL LIABILITIES	<u>\$ 81,618,230</u>
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	<u>\$ 129,191,483</u>
TOTAL NET POSITION	<u>\$ 129,191,483</u>

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For Year Ended June 30, 2025

	Custodial Funds
ADDITIONS	
Health & WC plan interest earnings	\$ 8,946,577
Health & WC plan contributions	372,817,932
Health & WC plan recoveries and rebates	28,961,396
Extraclass donations	4,997
Extraclass misc. revenue	52,930
TOTAL ADDITIONS	\$ 410,783,832
DEDUCTIONS	
Health & WC plans	\$ 402,324,607
Extraclass	52,051
TOTAL DEDUCTIONS	\$ 402,376,658
Change in net position	\$ 8,407,174
NET POSITION - BEGINNING	120,784,309
NET POSITION - ENDING	\$ 129,191,483

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF
MONROE AND ORLEANS COUNTIES**

Notes To The Basic Financial Statements

June 30, 2025

I. Summary of Significant Accounting Policies:

The financial statements of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York (the BOCES) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the BOCES accounting policies are described below.

A. Reporting Entity

The Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties (Monroe 2-Orleans BOCES) is governed by the laws of New York State. The BOCES is an independent entity governed by an elected Board of Education consisting of nine members. The President of the Board serves as the chief fiscal officer and the Superintendent is the chief executive officer. The Board is responsible for, and controls all activities related to public school education within the BOCES. Board members have authority to make decisions, power to appoint management, and primary accountability for all fiscal matters.

The reporting entity of the BOCES is based upon criteria set forth by GASB Statement 14, *The Financial Reporting Entity*, as amended by GASB Statement 39, *Component Units* and GASB Statement No. 61, *The Financial Reporting Entity*. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Boards of Cooperative Educational Services were established by New York State legislation in 1948 to enable smaller school districts to offer more breadth in their educational programs by sharing teachers. In 1955, Legislation was passed allowing BOCES to provide vocational and special education. A BOCES is a voluntary, cooperative association of school districts in a geographic area that share planning, services and programs to provide educational and support activities more economically, efficiently and equitably than could be provided locally. BOCES provides instructional and support programs and services to the following nine school districts:

Brockport	Churchville-Chili	Gates Chili
Greece	Hilton	Holley
Kendall	Spencerport	Wheatland-Chili

BOCES programs and services include special education, vocational education, academic and alternative programs, summer schools, staff development, computer services (management and instructional), educational communication and cooperative purchasing.

(I.) (Continued)

The BOCES is not a component unit of another reporting entity. The decision to include a potential component unit in the BOCES' reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the BOCES' reporting entity.

1. Extraclassroom Activity Funds

The extraclassroom activity funds of the BOCES represent funds of the students of the BOCES. The Board of Education exercises general oversight of these funds. The extraclassroom activity funds are independent of the BOCES with respect to its financial transactions, and the designation of student management. The cash and investment balances are reported in the Statement of Fiduciary Net Position – Custodial Fund of the BOCES. Separate audited financial statements (cash basis) of the extraclassroom activity funds can be found at the BOCES' business office.

B. Basic Financial Statements

1. BOCES-wide Statements

The Statement of Net Position and the Statement of Activities present financial information about the BOCES' governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through state aid, sale of property and equipment, investment revenues and other miscellaneous revenues which consist primarily of refunds from other Districts. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the BOCES' governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. Indirect expenses, principally employee benefits, are allocated to functional areas in proportion to the payroll expended for those areas.

2. Fund Financial Statements

The fund statements provide information about the BOCES' funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

(I.) (Continued)

The BOCES reports the following funds:

a. **Major Governmental Funds**

General Fund - This is the BOCES' primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.

Special Aid Fund - This fund accounts for the proceeds of specific revenue sources, such as federal and state grants, that are legally restricted to expenditures for specified purposes. These legal restrictions may be imposed either by governments that provide the funds, or by outside parties.

b. **Nonmajor Governmental Funds** - The other funds which are not considered major are aggregated and reported as nonmajor governmental funds as follows:

Special Projects Fund - This fund accounts for the specific revenue sources and startup costs of the BOCES 4 Science project.

Miscellaneous Special Revenue Fund – used to account for and report those revenues that are restricted or committed to expenditures for specified purposes.

Capital Projects Fund - Used to account for the financial resources to be used for acquisition, construction, or renovation of capital facilities.

c. **Fiduciary Funds** - Fiduciary activities are those in which the BOCES acts as trustee or agent for resources that belong to others. These activities are not included in the BOCES-wide financial statements, because their resources do not belong to the BOCES, and are not available to be used.

Custodial Funds - These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the BOCES as agent for various extraclassroom activity funds, health plan consortium operations, and workers' compensation consortium operations.

C. **Measurement Focus, Basis of Accounting**

Accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The BOCES-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the BOCES gives or receives value without directly receiving or giving equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

(I.) (Continued)

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The BOCES considers all revenues reported in the governmental funds to be available if the revenues are collected within one year after the end of the fiscal year.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

D. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the BOCES' policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these notes.

E. Interfund Transactions

The operations of the BOCES include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowing. The BOCES typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

In the BOCES-wide statements, the amounts reported on the Statement of Net Position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds.

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the BOCES' practice to settle these amounts at a net balance based upon the right of legal offset.

Refer to Note IX for a detailed disclosure by individual fund for interfund receivables and payables.

F. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long-lived assets.

(I.) (Continued)

G. Cash and Cash Equivalents and Investments

The BOCES' cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

New York State Law governs the BOCES' investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and BOCES.

H. Receivables

Receivables are shown net of an allowance for uncollectible accounts, when applicable.

In addition, the BOCES will report a receivable relating to a lease arrangement. The receivable is recorded at the present value of the future payments and recognized over the life of the lease.

I Inventory and Prepaid Items

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Prepaid items represent payments made by the BOCES for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as assets on the Statement of Net Position or balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

J. Capital Assets

In the BOCES-wide financial statements, capital assets are accounted for at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their acquisition value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives and capitalization threshold by type of assets is as follows:

(I.) (Continued)

<u>Class</u>	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings	\$ 50,000	SL	15-50 Years
Machinery and Equipment	\$ 5,000	SL	5-25 Years

The investment in infrastructure type assets have not been segregated for reporting purposes since all costs associated with capital projects are consolidated and reported as additions to buildings and improvements.

K. Right To Use Assets

The BOCES-wide financial statements, right-to-use-assets are reported within the major class of the underlying asset and valued at the future minimum lease payment. Amortization is between 5 and 30 years based on the contract terms and/or estimated replacement of the assets.

L. Unearned Revenue

The BOCES reports unearned revenues on its Statement of Net Position and its Balance Sheet. On the Statement of Net Position, unearned revenue arises when resources are received by the BOCES before it has legal claim to them, as when grant monies are received prior to incurrence of qualifying expenditures. In subsequent periods, when the BOCES has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

M. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until that time.

The Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The governmental activities reports deferred inflows of resources which represents the prepayment for technology assets by BOCES which is amortized over the estimated use of those assets.

N. Vested Employee Benefits

1. Compensated Absences

The BOCES, based on policy and/or various negotiated labor or employment contracts, recognizes a liability for compensated absences for leave time that:

- (i) has been earned for services previously rendered by employees.
- (ii) has accumulated and is allowed to be carried over into subsequent years.
- (iii) is more likely than not to be used as time off or settled (for example paid in cash to the employee or as a payment to an employee 403b and medical spending account) during or upon separation from employment.

(I.) (Continued)

Based on the criteria listed, only vacation leave, sick leave and sick leave banks meet the qualifications to be recognized as a liability for compensated absences. The total long-term estimated liability for compensated absences is reported as incurred in the BOCES-wide financial statements. The short-term liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Consistent with GASB Statement 101, Compensated Absences, the liability has been calculated using the more likely than not to be used as leave or settled at separation method with the compensated absences liability being calculated based on the pay rates in effect at year end.

O. Other Benefits

BOCES employees participate in the New York State Employees' Retirement System and the New York State Teachers' Retirement System.

In addition to providing pension benefits, the BOCES provides post-employment health coverage to retired employees in accordance with the provision of various employment contracts in effect at the time of retirement. Substantially all of the BOCES' employees may become eligible for these benefits if they reach normal retirement age while working for the BOCES. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits may be shared between the BOCES and the retired employee. The BOCES recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

P. Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities, and long-term obligations are reported in the BOCES-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments, other postemployment benefits payable and compensated absences that will be paid from governmental funds are reported as a liability in the funds financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the BOCES' future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

Q. Equity Classifications

1. BOCES-wide Statements

In the BOCES-wide statements there are three classes of net position:

(I.) (Continued)

- a. **Net Investment in Capital Assets** - consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.
- b. **Restricted Net Position** - reports net position when constraints placed on the assets or deferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- c. **Unrestricted Net Position** - reports the balance of net position that does not meet the definition of the above two classifications . The reported deficit of \$174,562,741 at year end is the result of full implementation of GASB #75 regarding retiree health obligations, the full implementation of GASB 87 regarding leases, and the New York State Pension system unfunded pension obligation.

2. **Fund Statements**

In the fund basis statements there are five classifications of fund balance:

- a. **Nonspendable Fund Balance** – Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.
- b. **Restricted Fund Balances** – Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. All encumbrances of funds other than the General Fund are classified as restricted fund balance. The BOCES has established the following restricted fund balances:

Career Education Instructional Equipment Reserve - as allowed under Education Law Section 1950(4)(ee), used to purchase only technologically advanced equipment to be used for instruction in State-Approved CTE sequences, courses or curricula. Funding amounts not to exceed the greater of 20% of the BOCES current year CTE services budget, or \$500,000 may be retained in this fund at the end of each school year for future expenditures, provided that the total amount retained does not exceed \$2,000,000. The reserve was depleted \$42,706, but received \$107,316 in funding and interest. during the year, and the balance at June 30, 2025, is \$440,916. This reserve is accounted for in the General Fund.

(I.) (Continued)

Unemployment Insurance Reserve - as allowed by General Municipal Law Section 6-m, is used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants where the employer has elected to use the benefit reimbursement method. The reserve may be established by Board action and is funded by budgetary appropriations and such other funds as may be legally appropriated. Within sixty days after the end of any fiscal year, excess amounts may either be transferred to another reserve or the excess applied to the appropriations of the next succeeding fiscal year's budget. If the BOCES elects to convert to tax (contribution) basis, excess resources in the fund over the sum sufficient to pay pending claims may be transferred to any other reserve fund. This reserve is accounted for in the General Fund.

Retirement Contribution Reserve - as allowed by General Municipal Law Section 6-r, is used for the purpose of financing retirement contributions. The reserve must be accounted for separate and apart from all other funds, and a detailed report of the operation and condition of the fund must be provided to the Board.

Teachers' Retirement Reserve – General Municipal Law §6-r was amended to include a Teachers' Retirement Reserve (TRS) sub-fund. The reserve has an annual funding limit of 2% of the prior year TRS salaries and a maximum cumulative total balance of 10% of the previous year's TRS salary.

Insurance Reserve - as allowed by General Municipal Law Section 6-n, is used to pay liability, casualty and other types of losses, except losses incurred for which the following types of insurance may be purchased: life, accident, health, annuities, fidelity and surety, credit, title residual value and mortgage guarantee. In addition, this reserve may not be used for any purpose for which a special reserve may be established pursuant to law (for example, for unemployment compensation insurance). The reserve may be established by Board action, and funded by budgetary appropriation, or such other funds as may be legally appropriated. There is no limit on the amount that may be accumulated in the Insurance Reserve, however, the annual contribution to this reserve may not exceed the greater of \$33,000 or 5% of the budget. Settled or compromised claims up to \$25,000 may be paid from the reserve without judicial approval. The reserve is accounted for in the General Fund.

Liability Reserve - According to General Municipal Law §1709(8)(c), must be used to pay for property loss and liability claims incurred. Separate funds for property loss and liability claims are required, and this reserve may not in total exceed 3% of the annual budget or \$15,000, whichever is greater.

Employee Benefit Accrued Liability Reserve - as allowed by General Municipal Law Section 6-p, is used to reserve funds for the payment of accrued employee benefits due to an employee upon termination of the employee's service. This reserve may be established by a majority vote of the Board, and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated. The reserve is accounted for in the General Fund.

(I.) (Continued)

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments of expenditures are recorded for budgetary control purposes in order to reserve applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations. Open encumbrances are reported as restricted fund balance in all funds other than the General Fund, since they do not constitute expenditures or liabilities and will be honored through budget appropriations in the subsequent year.

Restricted fund balances include the following:

	<u>Total</u>
<u>General Fund -</u>	
Unemployment Reserve	\$ 668,907
Reserve for ERS	12,263,033
Reserve for TRS	2,153,152
Insurance Reserve	926,048
Liability Reserve	1,816,210
Career Education Instructional	
Equipment Reserve	440,916
Employee Benefit Accrued Liability Reserve	465,849
<u>Capital Projects Fund -</u>	
Capital Projects	4,554,564
<u>Miscellaneous Special Revenue Fund -</u>	
Scholarships	74,883
Total Restricted Fund Balance	<u>\$ 23,363,562</u>

c. **Committed** - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the BOCES highest level of decision making authority, i.e., the Board. The BOCES has no committed fund balances as of June 30, 2025.

d. **Assigned Fund Balance** – Includes amounts that are constrained by the BOCES' intent to be used for specific purposes, but are neither restricted nor committed. All encumbrances of the General Fund are classified as assigned fund balance. Encumbrances represent purchase commitments made by the BOCES' purchasing agent through their authorization of a purchase order prior to year-end. The BOCES assignment is based on the functional level of expenditures.

(I.) (Continued)

Management has determined significant encumbrances for the General Fund to be \$160,000 and for the Special Aid Fund to be \$20,000. The BOCES reports the following significant encumbrances:

General Fund -

Instructional Support	\$ 769,016
Administration	\$ 421,053
Other Services	\$ 605,750

Assigned fund balances include the following:

	<u>Total</u>
General Fund - Encumbrances	\$ 1,876,395
Misc. Special Revenue Fund	249,569
Total Assigned Fund Balance	<u>\$ 2,125,964</u>

e. **Unassigned Fund Balance** –Includes all other General Fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the BOCES.

3. **Order of Use of Fund Balance**

The BOCES' policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the General Fund are classified as restricted fund balance. In the General Fund, the remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

R. **New Accounting Standards**

The BOCES has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At June 30, 2025, the BOCES implemented the following new standards issued by GASB:

GASB has issued Statement No. 101, *Compensated Absences*.

GASB has issued Statement No. 102, *Certain Risk Disclosures*.

(I.) (Continued)

S. Future Changes in Accounting Standards

GASB has issued Statement No. 103, *Financial Reporting Model Improvements*, which will be effective for fiscal years beginning after June 15, 2025.

GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets*, which will be effective for fiscal years beginning after June 15, 2025.

The BOCES will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

II. Restatement of Fund Balance

For the year ended June 30, 2025, the BOCES implemented GASB Statement No. 101, *Compensated Absences*. The restatement is noted on the Statement of Revenue, Expenditures, and Changes in Fund Balance.

III. Changes in Accounting Principles

For the year ended June 30, 2025, the BOCES implemented GASB Statement No. 101, *Compensated Absences*. The implementation of the statement changes the reporting for compensated absences. See Note II for the financial statement impact of implementation of the Statement.

IV. Stewardship, Compliance and Accountability:

By its nature as a local government unit, the BOCES is subject to various federal, state and local laws and contractual regulations. An analysis of the BOCES' compliance with significant laws and regulations and demonstration of its stewardship over BOCES resources follows.

A. Budgetary Information

Section 1950 §4(b) of the Education Law required adoption of a final budget by no later than May 15, of the ensuing year.

BOCES administration prepares a proposed administrative, capital and program budget, as applicable, for approval by members of the BOCES board for the General Fund.

Appropriations for educational services are adopted at the program level and lapse at the end of each fiscal year.

A tentative administrative budget is provided to the component BOCES for adoption by resolution. Approval of the tentative administrative budget requires the approval of a majority of the component school boards actually voting. During the current year, the administrative budget was approved by a majority of its voting component school boards.

(IV.) (Continued)

Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year. The Special Revenue Funds have not been included in the budget and actual comparison because they do not have legally authorized (appropriated) budgets.

The BOCES Board can approve budget revisions based upon requests for additional services and surplus revenues.

B. Deficit Fund Balance – Special Aid Fund

The Special Aid Fund had a deficit fund balance of \$4,742,149 as a result of operating expenditures exceeding revenues in the Preschool and Continuing Education Programs.

C. Deficit Net Position

The BOCES-wide net position had a deficit at June 30, 2025 of \$114,965,218. The deficit is the result of the implementation of GASB Statement 75, “Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions”, which required the recognition of an unfunded liability of \$102,072,453 at June 30, 2025. Since New York State Laws provide no mechanism for funding the liability, the subsequent accruals are expected to increase the deficit.

V. Cash and Cash Equivalents

Credit risk: In compliance with the State Law, BOCES investments are limited to obligations of the United States of America, obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America, obligations of the State, time deposit accounts and certificates of deposit issued by a bank or trust company located in, and authorized to do business in, the State, and obligations issued by other municipalities and authorities within the State.

Concentration of Credit risk: To promote competition in rates and service cost, and to limit the risk of institutional failure, BOCES deposits and investments are placed with multiple institutions. The BOCES’ investment policy limits the amounts that may be deposited with any one financial institution.

Interest rate risk: The BOCES has an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates.

The BOCES aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year end, collateralized as follows:

Uncollateralized	\$ -
Collateralized with Securities held by the Pledging Financial Institution	12,927,929
Collateralized within Trust Department or Agent	40,419,200
Total	\$ 53,347,129

(V.) (Continued)

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year-end included \$23,363,562 within the governmental funds and \$129,191,483 in the custodial funds.

VI. Investments

BOCES records its investment with an original maturity of one year or less, at the time of acquisition, at amortized cost, and its other investments are recorded at fair value and have been categorized based upon a fair market value.

The following table presents information about the BOCES' investments as of June 30, 2025:

<u>Investments</u>	<u>Investment Maturity</u>	
	<u>Total</u>	<u>Due Within One Year</u>
Governmental-US Treasury Bills	\$ 12,866,798	\$ 12,866,798
Governmental-US Treasury Notes	\$ 291,504	\$ 291,504
Custodial-US Treasury Bills	\$ 73,802,676	\$ 73,802,676
Custodial-US Treasury Notes	\$ 1,688,435	\$ 1,688,435

United States Treasury obligations are considered level 1 investments. The BOCES categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to ensure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

VII. Investment Pool

The BOCES participates in a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, §119-O, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents.

Total investments of the cooperative as of year end are \$36,424,938, which consisted of \$9,860,230 in repurchase agreements, \$25,071,285 in U.S. Treasury Securities, \$331,467 in FDIC insured deposits and \$1,161,956 in collateralized bank deposits, with various interest rates and due dates.

The following amounts are included as unrestricted and restricted cash:

<u>Fund</u>	<u>Bank Amount</u>	<u>Carrying Amount</u>	<u>Description of Investment</u>
General Fund	\$ 9,470,333	\$ 9,470,333	CLASS
Capital Fund	\$ 2,115,041	\$ 2,115,041	CLASS
Custodial Fund	\$ 24,839,564	\$ 24,839,564	CLASS

VIII. Receivables

Receivables at June 30, 2025 for individual major funds and nonmajor funds, including the applicable allowances for uncollectible accounts, are as follows:

<u>Description</u>	<u>Governmental Activities</u>		
	<u>General</u>	<u>Special Aid</u>	<u>Total</u>
	<u>Fund</u>	<u>Fund</u>	
Accounts Receivable	\$ 170,561	\$ 541,953	\$ 712,514
Lease Receivable	1,300,738	-	1,300,738
Due From State and Federal	21,014,088	2,193,245	23,207,333
Total Receivables	\$ 22,485,387	\$ 2,735,198	\$ 25,220,585

BOCES management has deemed the amounts to be fully collectible.

The BOCES has the following expected future collections for leases:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 460,934	\$ 49,016
2027	474,484	27,256
2028	286,782	8,716
2029	53,975	2,208
2030	24,563	355
Total	\$ 1,300,738	\$ 87,551

IX. Interfund Receivables and Payables

Interfund Receivables and Payables at June 30, 2025, were as follows:

	<u>Interfund</u>	
	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 7,558,162	\$ 370,000
Special Aid Fund	-	7,558,162
Nonmajor Funds	370,000	-
Total	\$ 7,928,162	\$ 7,928,162

Interfund receivables and payables between governmental activities are eliminated on the Statement of Net Position. The BOCES typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are not necessarily expected to be repaid within one year.

X. Capital Assets and Lease Assets

A. Capital Assets

Capital asset balances and activity were as follows:

<u>Type</u>	<u>Balance 7/1/2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2025</u>
<u>Governmental Activities:</u>				
<u>Capital Assets that are not Depreciated -</u>				
Land	\$ 118,702	\$ -	\$ -	\$ 118,702
Work in progress	209,120	1,046,044	852,044	403,120
<i>Total Nondepreciable</i>	<u>\$ 327,822</u>	<u>\$ 1,046,044</u>	<u>\$ 852,044</u>	<u>\$ 521,822</u>
<u>Capital Assets that are Depreciated -</u>				
Buildings and Improvements	\$ 45,421,340	\$ 24,298	\$ -	\$ 45,445,638
Machinery and equipment	14,889,713	1,408,555	1,917,355	14,380,913
<i>Total Depreciated Assets</i>	<u>\$ 60,311,053</u>	<u>\$ 1,432,853</u>	<u>\$ 1,917,355</u>	<u>\$ 59,826,551</u>
<u>Less Accumulated Depreciation -</u>				
Buildings and Improvements	\$ 12,453,561	\$ 1,294,060	\$ -	\$ 13,747,621
Machinery and equipment	9,650,171	1,340,266	1,899,320	9,091,117
<i>Total Accumulated Depreciation</i>	<u>\$ 22,103,732</u>	<u>\$ 2,634,326</u>	<u>\$ 1,899,320</u>	<u>\$ 22,838,738</u>
<i>Total Capital Assets Depreciated, Net of Accumulated Depreciation</i>	<u>\$ 38,207,321</u>	<u>\$ (1,201,473)</u>	<u>\$ 18,035</u>	<u>\$ 36,987,813</u>
Total Capital Assets	<u>\$ 38,535,143</u>	<u>\$ (155,429)</u>	<u>\$ 870,079</u>	<u>\$ 37,509,635</u>

B. Lease Assets

A summary of the lease asset activity during the year ended June 30, 2025 is as follows:

<u>Type</u>	<u>Balance 7/1/2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2025</u>
<u>Lease Assets:</u>				
Buildings	\$ 14,221,464	\$ -	\$ 1,883,043	\$ 12,338,421
Equipment	284,897	-	-	284,897
<i>Total Lease Assets</i>	<u>\$ 14,506,361</u>	<u>\$ -</u>	<u>\$ 1,883,043</u>	<u>\$ 12,623,318</u>
<u>Less Accumulated Amortization -</u>				
Buildings	\$ 4,638,604	\$ 1,454,073	\$ 1,883,043	\$ 4,209,634
Equipment	103,145	80,779	-	183,924
<i>Total Accumulated Amortization</i>	<u>\$ 4,741,749</u>	<u>\$ 1,534,852</u>	<u>\$ 1,883,043</u>	<u>\$ 4,393,558</u>
Total Lease Assets, Net	<u>\$ 9,764,612</u>	<u>\$ (1,534,852)</u>	<u>\$ -</u>	<u>\$ 8,229,760</u>

(X.) (Continued)

C. Other capital assets (net of depreciation and amortization):

Depreciated Capital Assets, net	\$ 36,987,813
Amortized Lease Assets, net	8,229,760
Total Other Capital Assets, net	\$ 45,217,573

D. Depreciation/Amortization expense for the period was charged to functions/programs as follows:

<u>Governmental Activities:</u>	<u>Depreciation</u>	<u>Amortization</u>	<u>Total</u>
Administration	\$ 47,418	\$ 1,534,852	\$ 1,582,270
Career and Tech Education	1,016,850	-	1,016,850
Instruction for the Handicapped	642,512	-	642,512
Itinerant Services	121,442	-	121,442
General Instruction	110,642	-	110,642
Instructional Support	626,970	-	626,970
Other Services	68,492	-	68,492
Total Depreciation and Amortization Expense	\$ 2,634,326	\$ 1,534,852	\$ 4,169,178

XI. **Long-Term Obligations**

Long-term liability balances and activity for the year are summarized below:

	<u>Balance</u> <u>7/1/2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2025</u>	<u>Due Within</u> <u>One Year</u>
<u>Governmental Activities:</u>					
<u>Bonds and Notes Payable -</u>					
Installment Purchase Debt	\$ 1,284,030	\$ 852,042	\$ 729,610	\$ 1,406,462	\$ 502,731
Lease Liability	9,803,789	-	1,704,817	8,098,972	1,104,624
Total Bonds and Notes Payable	\$ 11,087,819	\$ 852,042	\$ 2,434,427	\$ 9,505,434	\$ 1,607,355
<u>Other Liabilities -</u>					
Net Pension Liability	\$ 8,997,759	\$ -	\$ 131,341	\$ 8,866,418	\$ -
OPEB Liability	92,582,174	9,490,279	-	102,072,453	-
Compensated Absences *	1,839,516	279,586	-	2,119,102	441,177
Total Other Liabilities	\$ 103,419,449	\$ 9,769,865	\$ 131,341	\$ 113,057,973	\$ 441,177
Total Long-Term Obligations	\$ 114,507,268	\$ 10,621,907	\$ 2,565,768	\$ 122,563,407	\$ 2,048,532

* The change in compensated absences above is a net change for the year.

<u>Description</u>	<u>Original</u> <u>Amount</u>	<u>Issue</u> <u>Date</u>	<u>Final</u> <u>Maturity</u>	<u>Interest</u> <u>Rate</u>	<u>Amount</u> <u>Outstanding</u> <u>6/30/2025</u>
Leases	\$ 9,803,789	Various	2034	Various	\$ 8,098,972
Total Leases					\$ 8,098,972

(XI.) (Continued)

The following is a summary of debt service requirements:

<u>Year</u>	<u>Installment Purchase Debt</u>		<u>Leases</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 502,731	\$ 52,883	\$ 1,104,624	\$ 214,788
2027	516,623	29,266	1,086,576	184,525
2028	308,570	9,002	1,120,273	154,251
2029	53,975	2,208	1,333,928	120,120
2030	24,563	355	1,101,136	86,345
2031-34	-	-	2,352,435	96,103
Total	\$ 1,406,462	\$ 93,714	\$ 8,098,972	\$ 856,132

XII. Deferred Inflows/Outflows of Resources

The following is a summary of the deferred inflows/outflows of resources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Pension	\$ 13,020,808	\$ 4,256,782
Leases	-	16,937,730
OPEB	15,692,937	71,073,128
Total	\$ 28,713,745	\$ 92,267,640

XIII. Pension Plans

A. General Information

The BOCES participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS). These are cost-sharing multiple employer public employee retirement systems. The Systems offer a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death, and disability.

B. Provisions and Administration

A 10-member Board of Trustees of the New York State Teachers' Retirement Board administers TRS. TRS provides benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (NYSRSSL). Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York Public Schools and BOCES who elected to participate in TRS. Once a public employer elects to participate in the system, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. TRS issues a publicly available financial report that contains financial statements and required supplementary information. The report may be obtained by writing to NYSTRS, 10 Corporate Woods Drive, Albany, New York 12211-2395 or by referring to the TRS Comprehensive Annual Financial report, which can be found on the System's website at www.nystrs.org.

(XIII.) (Continued)

ERS provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. NYSRSSL govern obligations of employers and employees to contribute, and benefits to employees. Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The BOCES also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. ERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to NYSERS, Office of the State Comptroller, 110 State Street, Albany, New York 12244 or by referring to the ERS Comprehensive Annual Report, which can be found at www.osc.state.ny.us/retire/publications/index.php.

C. Funding Policies

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3.0% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2025 who generally contribute 3.0% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier 6 vary based on a sliding salary scale. For TRS, contribution rates are established annually by the New York State Teachers' Retirement Board pursuant to Article 11 of the Education Law. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31. The BOCES paid 100% of the required contributions as billed by the TRS and ERS for the current year.

The BOCES' share of the required contributions, based on covered payroll paid for the BOCES' year ended June 30, 2025:

<u>Contributions</u>	<u>ERS</u>	<u>TRS</u>
2025	\$ 2,549,035	\$ 2,683,254

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At June 30, 2025, the BOCES reported the following asset/(liability) for its proportionate share of the net pension asset /(liability) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2025 for ERS and June 30, 2024 for TRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The BOCES' proportion of the net pension asset/(liability) was based on a projection of the BOCES' long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the TRS and ERS Systems in reports provided to the BOCES.

(XIII.) (Continued)

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Net pension asset/(liability)	\$ (8,866,418)	\$ 3,364,574
District's portion of the Plan's total net pension asset/(liability)	0.051712%	0.112769%

For the year ended June 30, 2025, the BOCES recognized pension expenses of \$2,096,404 for ERS and \$2,014,219 for TRS. At June 30, 2025, the BOCES' reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expected and actual experience	\$ 2,200,705	\$ 3,623,028	\$ 103,809	\$ -
Changes of assumptions	371,840	2,012,697	-	338,554
Net difference between projected and actual earnings on pension plan investments	695,634	-	-	3,738,328
Changes in proportion and differences between the District's contributions and proportionate share of contributions	372,679	577,193	74,330	1,761
Subtotal	\$ 3,640,858	\$ 6,212,918	\$ 178,139	\$ 4,078,643
District's contributions subsequent to the measurement date	862,055	2,304,977	-	-
Grand Total	\$ 4,502,913	\$ 8,517,895	\$ 178,139	\$ 4,078,643

BOCES contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year</u>	<u>ERS</u>	<u>TRS</u>
2025	\$ -	\$ (1,569,572)
2026	1,624,639	4,281,906
2027	2,395,653	(551,018)
2028	(653,156)	(678,092)
2029	95,583	462,225
Thereafter	-	188,826
Total	\$ 3,462,719	\$ 2,134,275

E. Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

(XIII.) (Continued)

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Actuarial valuation date	April 1, 2024	June 30, 2023
Interest rate	5.90%	6.95%
Salary scale	4.30%	4.40%
Decrement tables	April 1, 2015- March 31, 2020 System's Experience	July 1, 2015- June 30, 2020 System's Experience
Inflation rate	2.90%	2.40%
COLA's	1.50%	1.30%

For ERS, annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2022. For TRS, annuitant mortality rates are based on plan member experience adjustments for mortality improvements based on Society of Actuaries Scale MP-2022.

The long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2025 are summarized as follows:

Long Term Expected Rate of Return		
	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
<u>Asset Type -</u>		
Domestic equity	3.54%	6.60%
International equity	6.57%	7.40%
Global equity	n/a	6.90%
Private equity	7.25%	10.00%
Real estate	4.95%	6.30%
Opportunistic portfolios	5.25%	n/a
Real assets	5.55%	n/a
Global bonds	n/a	2.50%
Cash	0.25%	0.50%
Private debt	n/a	5.90%
Real estate debt	n/a	3.90%
High-yield bonds	n/a	4.80%
Domestic fixed income	n/a	2.60%
Fixed income	2.00%	n/a
Credit	5.40%	n/a

(XIII.) (Continued)

The real rate of return is net of the long-term inflation assumption of 2.90% for ERS and 2.40% for TRS.

F. Discount Rate

The discount rate used to calculate the total pension liability was 5.90% for ERS and 6.95% for TRS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Sensitivity of the Net Pension Liability to the Discount Rate Assumption

The following presents the BOCES's proportionate share of the net pension liability calculated using the discount rate of 5.90% for ERS and 6.95% for TRS, as well as what the BOCES's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage-point lower (4.90% for ERS and 5.95% for TRS) or 1-percentage-point higher (6.90% for ERS and 7.95% for TRS) than the current assumption :

	1% Decrease <u>(4.90%)</u>	Current Assumption <u>(5.90%)</u>	1% Increase <u>(6.90%)</u>
<u>ERS</u>			
Employer's proportionate share of the net pension asset (liability)	\$ (25,660,531)	\$ (8,866,418)	\$ 5,156,677
	1% Decrease <u>(5.95%)</u>	Current Assumption <u>(6.95%)</u>	1% Increase <u>(7.95%)</u>
<u>TRS</u>			
Employer's proportionate share of the net pension asset (liability)	\$ (15,541,160)	\$ 3,364,574	\$ 19,264,803

H. Pension Plan Fiduciary Net Position

The components of the current year net pension asset/(liability) of the employers as of the respective valuation dates, were as follows:

(XIII.) (Continued)

	(In Thousands)	
	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2025	June 30, 2024
Employers' total pension liability	\$ 247,600,239	\$ 142,837,827
Plan net position	230,454,512	145,821,435
Employers' net pension asset/(liability)	<u>\$ (17,145,727)</u>	<u>\$ 2,983,608</u>
Ratio of plan net position to the employers' total pension asset/(liability)	93.08%	102.10%

I. Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of June 30, 2025 represent the projected employer contribution for the period of April 1, 2025 through June 30, 2025 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of June 30, 2025 amounted to \$862,055.

For TRS, employer and employee contributions for the fiscal year ended June 30, 2025 are paid to the System in September, October and November 2025 through a state aid intercept. Accrued retirement contributions as of June 30, 2025 represent employee and employer contributions for the fiscal year ended June 30, 2025 based on paid TRS wages multiplied by the employer's contribution rate, by tier and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of June 30, 2025 amounted to \$2,683,254.

XIV. Postemployment Benefits

A. General Information About the OPEB Plan

Plan Description – The BOCES' defined benefit OPEB plan, provides OPEB for all permanent full-time general and public safety employees of the BOCES. The plan is a single employer defined benefit OPEB plan administered by the BOCES. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the BOCES Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided – The BOCES provides healthcare and life insurance benefits for retirees and their dependents. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the BOCES offices and are available upon request.

Employees Covered by Benefit Terms – At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	831
Active Employees	<u>699</u>
Total	<u>1,530</u>

(XIV.) (Continued)

B. Total OPEB Liability

The BOCES' total OPEB liability of \$102,072,453 was measured as of March 31, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary Increases	3.30% average including inflation
Discount Rate	4.39%
Healthcare Cost Trend Rates	5.30% for 2025, increasing to an ultimate rate of 3.71% after 2070
Retirees' Share of Benefit-Related Costs	Between 3%-35% of health insurance premiums dependent on hire date and bargaining unit

The discount rate was based on Fidelity Municipal Go AA 20-year bond rate as of the measurement date (or the nearest business day thereto).

Mortality rates were based on the Mortality Improvement Scale MP-2021, as appropriate, with adjustments for mortality improvements based on Scale AA.

C. Changes in the Total OPEB Liability

Balance at June 30, 2024	<u>\$ 92,582,174</u>
<u>Changes for the Year -</u>	
Service cost	\$ 1,870,799
Interest	3,563,282
Changes of benefit terms	(84,785)
Differences between expected and actual experience	13,270,012
Changes in assumptions or other inputs	(4,205,758)
Benefit payments	<u>(4,923,271)</u>
Net Changes	<u>\$ 9,490,279</u>
Balance at June 30, 2025	<u>\$ 102,072,453</u>

Changes of benefit terms reflect updated premium information and other retirement and healthcare cost trend rate changes.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.98% in 2024 to 4.39% in 2025.

(XIV.) (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the BOCES, as well as what the BOCES' total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.39%) or 1-percentage-point higher (5.39%) than the current discount rate:

	1% Decrease	Discount	1% Increase
	<u>(3.39%)</u>	<u>(4.39%)</u>	<u>(5.39%)</u>
Total OPEB Liability	\$ 115,191,601	\$ 102,072,453	\$ 91,270,869

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the BOCES, as well as what the BOCES' total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.30% to 2.71%) or 1-percentage-point higher (6.30% to 4.71%) than the current healthcare cost trend rate:

	1% Decrease	Healthcare	1% Increase
	<u>(4.30%</u>	Cost Trend Rates	<u>(6.30%</u>
	<u>Decreasing</u>	<u>Decreasing</u>	<u>Decreasing</u>
	<u>to 2.71%)</u>	<u>to 3.71%)</u>	<u>to 4.71%)</u>
Total OPEB Liability	\$ 90,264,114	\$ 102,072,453	\$ 116,600,491

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the BOCES recognized OPEB expense of (\$10,101,642). At June 30, 2025, the BOCES reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
	<u>of Resources</u>	<u>of Resources</u>
Differences between expected and actual experience	\$ 14,462,119	\$ 49,499,899
Changes of assumptions	-	21,573,229
Contributions after measurement date	1,230,818	-
Total	<u>\$ 15,692,937</u>	<u>\$ 71,073,128</u>

(XIV.) (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year</u>	
2026	\$ (14,425,722)
2027	(14,772,735)
2028	(15,293,256)
2029	(10,694,684)
2030	(2,371,622)
Thereafter	947,010
Total	<u>\$ (56,611,009)</u>

XV. Risk Management

A. General Information

The BOCES is exposed to various risks of loss related to injuries to employees, theft, damages, natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

B. Health Plan

The District is a Participant of and incurs costs related to the Rochester Area School Health Plan (Plan I) and Rochester Area School Health Plan II Municipal Cooperative Health Benefit Plan (Plan II). Plan I and Plan II are sponsored by the Board of Cooperative Educational Services, Second Supervisory District of Monroe and Orleans Counties (Monroe 2-Orleans BOCES) and its component districts. Plan I and Plan II objectives are to formulate, develop and administer a program of insurance to obtain lower costs for that coverage, and to develop a comprehensive loss control program.

1. Plan I

Plan I was established as a Municipal Cooperative under the authorization of Article 5-G of the General Municipal Law in 1986. Membership in Plan I may be offered to any component district of the Board of Cooperative Educational Services, First Supervisory District of Monroe County (Monroe 1 BOCES) or Monroe 2-Orleans BOCES with the unanimous approval of the Board of Directors. Membership of new Participants becomes effective on the first day of the calendar month following the adoption by the Board of Directors of the resolution to accept a new Participant. Current membership of Plan I includes nineteen (19) Participants with the BOCES bearing an equal and proportionate share of Plan I's assets and claim liabilities.

(XV.) (Continued)

Voluntary withdrawal from Plan I is subject to the following constraints:

1. Effective only once annually on the last day of the Plan year.
2. Notice of intention to withdrawal must be given in writing to the Chairman of the Board of Directors and Treasurer not less than thirty (30) days prior to the end of the Plan year. Failure to provide at least thirty (30) days' notice, will result in continued membership in the plan for another year unless all other Participants consent to such withdrawal.

Pursuant to the Municipal Cooperative Agreement, Plan I is a risk sharing pool and all monies paid to the Treasurer shall be pooled and administered as a common fund. No refunds shall be made to a Participant, and no assessments are charged to a Participant other than the annual premium equivalent. If surplus funds exist at the end of any fiscal year, the distribution of such funds shall be determined by the Board of Directors.

Plan I purchases, on an annual basis, stop-loss insurance to limit exposure for claims paid. Plan I establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenses in the periods in which they are made. During the year ended June 30, 2025, the BOCES incurred premiums or contribution expenditures totaling \$1,327,255.

Plan I is audited on an annual basis and is available at the Monroe 2-Orleans BOCES administrative offices. The most recent audit available for the year ended December 31, 2024, revealed that Plan I is fully funded.

2. Plan II

Plan II was established as a Municipal Cooperative under the authorization of Article 5-G of the General Municipal Law in 2004. Plan II received a Certificate of Authority to operate as a self-funded plan under Article 47 of the New York State Insurance Law, effective January 1, 2024.

Membership in Plan II may be offered to any component school district of the Monroe 1 BOCES and Monroe 2-Orleans BOCES within the geographical boundaries of Monroe County, New York provided that the applicant provides proof of its financial responsibility that is satisfactory to the Board of Directors in its sole discretion, and the applicant is the same type of municipal corporation as the initial Participants. Membership of new Participants becomes effective on the first day of the calendar month following a majority vote of the entire Board of Directors and the adoption by the Board of Directors of a resolution to accept the municipal corporation as a Participant. Current membership of Plan II includes nineteen (19) Participants with the BOCES bearing an equal and proportionate share of Plan II's assets and claim liabilities.

(XV.) (Continued)

Voluntary withdrawal from Plan II is subject to the following constraints:

1. Effective only on January 1 of the next Plan Year following the Plan Year in which the Participant provides notice.
2. Notice of intention of a Participant withdraw must be given in writing to the Chairperson and the Treasurer by April 1st of the Plan Year immediately preceding the January 1st withdrawal date. Failure to provide the required written notices in a timely manner will result in continued membership in Plan II for another year unless the Board of Directors consent to such withdrawal.
3. Participant is responsible for pro-rata share of any Plan II deficit and shall satisfy any other obligation relating to the Participant's membership in the Plan.
4. Participant is not entitled to any share of Plan II surplus.

Pursuant to the Municipal Cooperative Agreement as signed by the Participants, Plan II is a risk sharing pool and all monies paid to the Treasurer shall be pooled and administered as a common fund. The annual premium equivalent for each coverage option under Plan II is established and approved by a majority of the entire Board of Directors. Each Participant is required to contribute to Plan II an amount equal to the Premium Equivalent applicable to the coverage options, under which the Participants Enrollees are covered. In addition to paying on demand their applicable Premium Equivalent payments, each Participant shall pay on demand such Participant's share of any Assessment Contribution ordered by the Board of Directors. If surplus funds exist at the end of any fiscal year, the distribution of such funds shall be determined by the Board of Directors.

Plan II purchases, on an annual basis, stop-loss insurance to limit exposure for claims paid. Plan II establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenses in the periods in which they are made. During the year ended June 30, 2025, the BOCES incurred premiums or contribution expenditures totaling \$15,590,859.

Plan II is audited on an annual basis and is available at the Monroe 2-Orleans BOCES administrative offices. The most recent audit available for the year ended December 31, 2024, revealed that the Plan is fully funded.

(XV.) (Continued)

C. Workers' Compensation

The BOCES is a Participant in the Rochester Area School Workers' Compensation Plan (Plan). The Plan is sponsored by the Board of Cooperative Educational Services, Second Supervisory District of Monroe and Orleans Counties (Monroe 2-Orleans BOCES) and its component districts. The Plan's objectives are to furnish workers' compensation benefits to participating districts at a significant cost savings and to provide for risk management to reduce future liability for workers compensation. Membership in the Plan may be offered to any component district of the Board of Cooperative Educational Services, First Supervisory District of Monroe County (Monroe 1 BOCES) and Monroe 2-Orleans BOCES with the approval of the Board of Directors. Current membership of the Plan includes Participants from nineteen (19) municipal corporations.

Voluntary withdrawal from the Plan is subject to the following constraints:

1. Notice on intention to withdraw must be given in writing to the Chairman of the Board of Directors and Treasurer not less than one-hundred twenty (120) days prior to the end of the Plan year.
2. Participant is not entitled to any share of Plan surplus.

If a surplus of Participants' assessments exists after the close of a Plan year, the Board may retain from such surplus an amount sufficient to establish and maintain a claim contingency fund. Surplus funds in excess of the amount transferred to or included in such contingency fund shall be applied in reduction of the next annual assessment or to the billing of Plan Participants. All monies paid to the Treasurer by participants shall be commingled and administered as a common fund. No refunds shall be made to a participant and no assessments are charged to a participant other than the annual premium equivalent. However, if the Board of Directors determines that the liabilities of the Plan will exceed its cash assets, after taking into account any "excess insurance", the Board of Directors shall determine the amount needed to meet such deficiency and shall assess such amount against all Participants their pro-rata share, such additional assessment is due within sixty (60) days after written notification from the Board of Directors.

The Plan purchases, on an annual basis, stop-loss insurance to limit exposure for claims paid. The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expenses in the period in which they are made. During the year ended June 30, 2025, the BOCES incurred premiums or contribution expenditures totaling \$460,114.

The Plan is audited on an annual basis and is available at the Monroe 2-Orleans BOCES administrative offices. The most recent audit available for the year ended June 30, 2024, revealed that the Plan was fully funded.

(XV.) (Continued)

D. Dental Coverage

The BOCES self-insures for dental coverage for its employees. The BOCES uses a third-party administrator who is responsible for processing claims and estimating liabilities. The BOCES does not carry excess insurance coverage relative to this Plan. The BOCES records expenditures as claims are presented for payment in accordance with the BC/BS schedule of allowances. Liabilities are reported when it is probable that a loss has occurred, and the amount of loss can be reasonably estimated.

A reconciliation of the claims recorded for 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Beginning liabilities	\$ 267,175	\$ 289,439
Premiums collected	885,675	817,436
Interest	5,793	5,277
Claims payments	(805,756)	(794,126)
Administrative fee payments	(48,745)	(50,851)
Ending liabilities	<u>\$ 304,142</u>	<u>\$ 267,175</u>

The following statistical information is presented:

	Net	Actual Claim
<u>Year</u>	<u>Contribution Revenue</u>	<u>Expense</u>
2025	\$ 842,723	\$ 805,756
2024	\$ 771,862	\$ 794,126
2023	\$ 724,389	\$ 829,824
2022	\$ 715,395	\$ 781,294
2021	\$ 722,778	\$ 822,018
2020	\$ 767,732	\$ 684,779
2019	\$ 766,396	\$ 744,780
2018	\$ 784,723	\$ 753,383
2017	\$ 733,051	\$ 712,141
2016	\$ 777,695	\$ 675,902

E. Unemployment

BOCES employees are entitled to coverage under the New York State Unemployment Insurance Law. The BOCES has elected to discharge its liability to the New York State Unemployment Insurance Fund (the Fund) by the benefit reimbursement method, a dollar-for-dollar reimbursement to the fund for benefits paid from the fund to former employees. The BOCES has established a self-insurance fund to pay these claims. Claim and judgment expenditures were \$22,796 for the 2024-25 fiscal year. The balance of the fund at June 30, 2025 was \$668,907 and is recorded in the General Fund as an Unemployment Insurance Reserve. In addition, as of June 30, 2025, no loss contingencies existed or were considered probable or estimable for incurred but not reported claims payable.

XVI. Commitments and Contingencies

A. Litigation

BOCES is a party to one case involving a former employee. The outcome of this case cannot reasonably be determined as of the date of this report.

B. Grants

The BOCES has received grants, which are subject to audit by agencies of the State and Federal Governments. Such audits may result in disallowances and a request for a return of funds. Based on prior years' experience, the BOCES' administration believes disallowances, if any, will be immaterial.

XVII. Related Parties-Foundation

The Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties has a relationship with the Monroe 2- Orleans Educational Foundation, Inc. whose purpose is to provide financial support for the educational programs of the Monroe 2- Orleans Board of Cooperative Educational Services including, but not limited to (1) non-budgetary funding acceptable to the BOCES and (2) educational and enrichment activities of the BOCES. The Board shall consist of not less than three or more than twenty-one directors representative from the following: (1) Board of Education member from a component district, (2) Alumni of Monroe 2 – Orleans BOCES, (3) Individuals interested in supporting the objectives of the Foundation, (4) Individuals representative of the communities served by Monroe 2 – Orleans BOCES and (5) parents.

The Foundation does have an annual audit. The last audit completed was for the year ended June 30, 2024, and is on file at the administrative offices of the BOCES.

XVIII. NYS Comptroller Audit

An audit of the BOCES is currently being conducted by the New York State Comptroller's Office. As of the date of issuance of these financial statements no report has been received.

Required Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Schedule of Changes in BOCES' Total OPEB Liability and Related Ratio
For Year Ended June 30, 2025

TOTAL OPEB LIABILITY										
	2025	2024	2023	2022	2021	2020	2019	2018	2017	
Service cost	\$ 1,870,799	\$ 3,021,941	\$ 5,321,874	\$ 5,932,617	\$ 5,357,208	\$ 4,864,538	\$ 4,436,006	\$ 4,281,598	\$ 4,020,103	
Interest	3,563,282	5,146,605	5,472,600	4,404,547	4,756,970	5,929,221	6,881,674	6,743,035	5,473,843	
Changes in benefit terms	(84,785)	(299,553)	(68,662)	(584,140)	(1,248,368)	-	(138,678)	(241,040)	-	
Differences between expected and actual experiences	13,270,012	(44,908,665)	(34,188,672)	13,174,836	(5,680,200)	(18,006,167)	(23,581,974)	2,727,419	21,019,166	
Changes of assumptions or other inputs	(4,205,758)	(3,509,783)	(25,592,722)	(17,617,439)	3,527,823	31,283,837	(1,502,693)	4,647,256	(11,823,305)	
Benefit payments	(4,923,271)	(5,869,021)	(5,354,480)	(5,069,227)	(5,111,893)	(4,789,860)	(5,132,895)	(4,901,316)	(4,408,606)	
Net Change in Total OPEB Liability	\$ 9,490,279	\$ (46,418,476)	\$ (54,410,062)	\$ 241,194	\$ 1,601,540	\$ 19,281,569	\$ (19,038,560)	\$ 13,256,952	\$ 14,281,201	
Total OPEB Liability - Beginning	\$ 92,582,174	\$ 139,000,650	\$ 193,410,712	\$ 193,169,518	\$ 191,567,978	\$ 172,286,409	\$ 191,324,969	\$ 178,068,017	\$ 163,786,816	
Total OPEB Liability - Ending	\$ 102,072,453	\$ 92,582,174	\$ 139,000,650	\$ 193,410,712	\$ 193,169,518	\$ 191,567,978	\$ 172,286,409	\$ 191,324,969	\$ 178,068,017	
Covered Employee Payroll	\$ 37,703,340	\$ 34,604,836	\$ 33,424,936	\$ 36,309,203	\$ 35,101,704	\$ 42,172,137	\$ 40,856,553	\$ 31,415,006	\$ 31,415,006	
Total OPEB Liability as a Percentage of Covered										
Employee Payroll	270.73%	267.54%	415.86%	532.68%	550.31%	454.25%	421.69%	609.02%	566.82%	

10 years of historical information is not available, and will be added each year subsequent to the year of implementation until 10 years of historical data is present.

Required Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Schedule of the BOCES' Proportionate Share of the Net Pension Liability
For Year Ended June 30, 2025

<u>NYSERS Pension Plan</u>										
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Proportion of the net pension liability (assets)	0.0517%	0.0520%	0.0495%	0.0492%	0.0516%	0.0506%	0.0517%	0.0526%	0.0483%	0.0519%
Proportionate share of the net pension liability (assets)	\$ 8,866,418	\$ 7,656,042	\$ 10,616,281	\$ (4,020,027)	\$ 51,423	\$ 13,386,832	\$ 3,660,889	\$ 1,696,776	\$ 4,534,710	\$ 8,335,144
Covered-employee payroll	\$ 17,945,834	\$ 17,792,333	\$ 16,407,772	\$ 15,721,332	\$ 16,702,581	\$ 15,643,098	\$ 15,543,200	\$ 15,476,552	\$ 13,996,062	\$ 13,907,066
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	49.407%	43.030%	64.703%	(25.571%)	0.308%	85.577%	23.553%	10.964%	32.400%	59.935%
Plan fiduciary net position as a percentage of the total pension liability	93.08%	98.30%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%
<u>NYSTRS Pension Plan</u>										
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Proportion of the net pension liability (assets)	0.1128%	0.1173%	0.1173%	0.1269%	0.1275%	0.1323%	0.1323%	0.1334%	0.1372%	0.1327%
Proportionate share of the net pension liability (assets)	\$ (3,364,574)	\$ 1,341,717	\$ 2,250,471	\$ (21,995,783)	\$ 3,522,828	\$ (3,435,940)	\$ (2,392,527)	\$ (1,014,145)	\$ 1,469,668	\$ (13,779,918)
Covered-employee payroll	\$ 22,805,456	\$ 21,582,484	\$ 21,553,351	\$ 20,803,246	\$ 21,544,124	\$ 21,640,395	\$ 22,075,169	\$ 21,900,858	\$ 21,503,618	\$ 21,174,208
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	(14.753%)	6.217%	10.441%	(105.732%)	16.352%	(15.877%)	(10.838%)	(4.631%)	6.835%	(65.079%)
Plan fiduciary net position as a percentage of the total pension liability	102.10%	99.20%	98.60%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%

(See Independent Auditors' Report)

Required Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Schedule of BOCES Contributions
For Year Ended June 30, 2025

NYSERS Pension Plan										
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contributions	\$ 2,549,035	\$ 2,156,773	\$ 1,778,320	\$ 2,372,510	\$ 2,272,926	\$ 2,142,818	\$ 2,181,133	\$ 2,243,659	\$ 2,098,702	\$ 2,472,280
Contributions in relation to the contractually required contribution	<u>(2,549,035)</u>	<u>(2,156,773)</u>	<u>(1,778,320)</u>	<u>(2,372,510)</u>	<u>(2,272,926)</u>	<u>(2,142,818)</u>	<u>(2,181,133)</u>	<u>(2,243,659)</u>	<u>(2,098,702)</u>	<u>(2,472,280)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 17,945,834	\$ 17,792,333	\$ 16,407,772	\$ 15,721,332	\$ 16,702,581	\$ 15,643,098	\$ 15,543,200	\$ 15,476,552	\$ 13,996,062	\$ 13,907,066
Contributions as a percentage of covered-employee payroll	14.20%	12.12%	10.84%	15.09%	13.61%	13.70%	14.03%	14.50%	14.99%	17.78%
NYSTRS Pension Plan										
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contributions	\$ 2,683,254	\$ 2,428,449	\$ 2,532,196	\$ 2,317,837	\$ 2,341,970	\$ 2,197,194	\$ 2,641,736	\$ 2,184,058	\$ 2,807,700	\$ 3,493,457
Contributions in relation to the contractually required contribution	<u>(2,683,254)</u>	<u>(2,428,449)</u>	<u>(2,532,196)</u>	<u>(2,317,837)</u>	<u>(2,341,970)</u>	<u>(2,197,194)</u>	<u>(2,641,736)</u>	<u>(2,184,058)</u>	<u>(2,807,700)</u>	<u>(3,493,457)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 22,805,456	\$ 21,582,484	\$ 21,553,351	\$ 20,803,246	\$ 21,544,124	\$ 21,640,395	\$ 22,075,169	\$ 21,900,858	\$ 21,503,618	\$ 21,174,208
Contributions as a percentage of covered-employee payroll	11.77%	11.25%	11.75%	11.14%	10.87%	10.15%	11.97%	9.97%	13.06%	16.50%

(See Independent Auditors' Report)

Required Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - General Fund
For Year Ended June 30, 2025

<u>REVENUES</u>	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Current Year's Revenues</u>	<u>Variance Favorable (Unfavorable)</u>
Administration 001-002	\$ 12,534,201	\$ 11,906,115	\$ 12,056,406	\$ 150,291
Career and Tech Education 100-199	12,338,025	12,415,985	12,349,663	(66,322)
Instruction for Handicapped 200-299	38,354,210	40,022,165	38,547,790	(1,474,375)
Itinerant 300-399	9,283,623	9,724,979	7,877,448	(1,847,531)
General Instruction 400-499	7,042,144	8,664,881	8,533,680	(131,201)
Instructional Support 500-599	28,683,628	34,484,868	29,636,298	(4,848,570)
Other Services 600-699	<u>11,552,499</u>	<u>23,910,899</u>	<u>24,418,675</u>	<u>507,776</u>
TOTAL REVENUES	<u>\$ 119,788,330</u>	<u>\$ 141,129,892</u>	<u>\$ 133,419,960</u>	<u>\$ (7,709,932)</u>

Required Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - General Fund
For Year Ended June 30, 2025

<u>EXPENDITURES</u>	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Current Year's Expenditures</u>	<u>Encumbrances</u>	<u>Variance Favorable (Unfavorable)</u>
Administration 001-002	\$ 12,534,201	\$ 11,906,115	\$ 11,075,802	\$ 421,053	\$ 409,260
Career and Tech Education 100-199	12,338,025	12,415,984	12,308,045	20,377	87,562
Instruction for Handicapped 200-299	38,354,210	40,022,165	37,398,445	58,536	2,565,184
Itinerant 300-399	9,283,623	9,724,980	6,871,297	36	2,853,647
General Instruction 400-499	7,042,144	8,664,881	7,975,578	1,627	687,676
Instructional Support 500-599	28,683,628	34,484,868	30,881,134	769,016	2,834,718
Other Services 600-699	<u>11,552,499</u>	<u>23,910,899</u>	<u>22,692,838</u>	<u>605,750</u>	<u>612,311</u>
TOTAL EXPENDITURES	<u>\$ 119,788,330</u>	<u>\$ 141,129,892</u>	<u>\$ 129,203,139</u>	<u>\$ 1,876,395</u>	<u>\$ 10,050,358</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,216,821</u>		

Note to Required Supplementary Information:

A reconciliation is not necessary since encumbrances are presented in a separate column on this schedule.

Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2025

		<u>Special Revenue Funds</u>		
	Capital Projects <u>Fund</u>	Special Projects <u>Fund</u>	Miscellaneous Special Revenue <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
ASSETS				
Cash and cash equivalents	\$ 4,447,892	\$ 144,569	\$ 74,883	\$ 4,667,344
Due from other funds	265,000	105,000	-	370,000
TOTAL ASSETS	<u>\$ 4,712,892</u>	<u>\$ 249,569</u>	<u>\$ 74,883</u>	<u>\$ 5,037,344</u>
LIABILITIES AND FUND BALANCE				
<u>Liabilities</u> -				
Accounts payable	\$ 158,328	\$ -	\$ -	\$ 158,328
TOTAL LIABILITIES	<u>\$ 158,328</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,328</u>
<u>Fund Balances</u> -				
Restricted	\$ 4,554,564	\$ -	\$ 74,883	\$ 4,629,447
Assigned	-	249,569	-	249,569
TOTAL FUND BALANCE	<u>\$ 4,554,564</u>	<u>\$ 249,569</u>	<u>\$ 74,883</u>	<u>\$ 4,879,016</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,712,892</u>	<u>\$ 249,569</u>	<u>\$ 74,883</u>	<u>\$ 5,037,344</u>

Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For Year Ended June 30, 2025

	Formerly Major Capital Projects Fund	Special Revenue Funds Special Projects Fund	Miscellaneous Special Revenue Fund	Total Nonmajor Governmental Funds
REVENUES				
Interest and earnings	\$ 191,520	\$ 4,145	\$ 1,327	\$ 196,992
Miscellaneous	11,545	105,000	5,000	121,545
Interfund revenues	1,307,000	-	-	1,307,000
TOTAL REVENUES	\$ 1,510,065	\$ 109,145	\$ 6,327	\$ 1,625,537
EXPENDITURES				
Other services	\$ -	\$ -	\$ 4,500	\$ 4,500
Capital outlay	1,046,043	-	-	1,046,043
TOTAL EXPENDITURES	\$ 1,046,043	\$ -	\$ 4,500	\$ 1,050,543
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 464,022	\$ 109,145	\$ 1,827	\$ 574,994
OTHER FINANCING SOURCES (USES)				
Proceeds from installment debt	\$ 852,043	\$ -	\$ -	\$ 852,043
TOTAL OTHER FINANCING SOURCES (USES)	\$ 852,043	\$ -	\$ -	\$ 852,043
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ 1,316,065	\$ 109,145	\$ 1,827	\$ 1,427,037
FUND BALANCE, BEGINNING OF YEAR, as previously reported	\$ -	\$ 140,424	\$ 73,056	\$ 213,480
Changes within financial reporting entity major to nonmajor	3,238,499	-	-	3,238,499
FUND BALANCE, BEGINNING OF YEAR, as adjusted	\$ 3,238,499	\$ 140,424	\$ 73,056	\$ 3,451,979
FUND BALANCE, END OF YEAR	\$ 4,554,564	\$ 249,569	\$ 74,883	\$ 4,879,016

(See Independent Auditors' Report)

Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
Analysis of Account A431 - School Districts
For Year Ended June 30, 2025

	<u>2025</u>
July 1, 2024 - DEBIT (CREDIT) BALANCE	<u>\$ 6,653,927</u>
DEBITS:	
Billings to school districts	\$ 131,939,160
Refund of balances made to school districts	7,669,134
Encumbrances - June 30, 2025	<u>1,876,395</u>
Total Debits	<u>\$ 141,484,689</u>
TOTAL	<u>\$ 148,138,616</u>
CREDITS:	
Collections from school districts	\$ 137,265,829
Adjustment - credits to school districts - revenues in excess of expenditures	4,216,821
Change in deferred inflows for leases	2,381,788
Encumbrances - June 30, 2024	<u>2,425,817</u>
Total Credits	<u>\$ 146,290,255</u>
June 30, 2025 - DEBIT (CREDIT) BALANCE	<u><u>\$ 1,848,361</u></u>

Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
CAPITAL PROJECTS FUND SCHEDULE OF
PROJECT EXPENDITURES
For Year Ended June 30, 2025

Project Title	Expenditures					Unexpended Balance	Methods of Financing			Fund Balance
	Original	Revised	Prior	Current	Total		Obligations	Local	Total	
	Appropriation	Appropriation	Years	Year				Sources		
ESC Security	\$ 200,000	\$ 200,000	\$ -	\$ 194,000	\$ 194,000	\$ 6,000	\$ -	\$ 200,000	\$ 200,000	\$ 6,000
Unassigned	-	-	-	-	-	-	-	4,548,564	4,548,564	4,548,564
Installment debt	852,043	852,043	-	852,043	852,043	-	852,043	-	852,043	-
TOTAL	\$ 1,052,043	\$ 1,052,043	\$ -	\$ 1,046,043	\$ 1,046,043	\$ 6,000	\$ 852,043	\$ 4,748,564	\$ 5,600,607	\$ 4,554,564

(See Independent Auditors' Report)

Supplementary Information
BOARD OF COOPERATIVE EDUCATIONAL SERVICES
SECOND SUPERVISORY DISTRICT OF MONROE AND ORLEANS COUNTIES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For Year Ended June 30, 2025

<u>Grantor / Pass - Through Agency</u>	Assistance <u>Listing</u>	Pass-Through <u>Agency</u>	Total <u>Expenditures</u>
<u>Federal Award Cluster / Program</u>	<u>Number</u>	<u>Number</u>	
<u>U.S. Department of Education:</u>			
<u>Passed Through NYS Education Department -</u>			
Perkins IV/CTEIA - Basic Grant	84.048	8000-25-0044	\$ 208,095
WIOA, Title II Adult Education & Literacy	84.002	2338-25-6100	478,258
WIOA, Title II, ESOL Civics	84.002	0040-25-6200	207,619
Total U.S. Department of Education			<u>\$ 893,972</u>
<u>U.S. Department of Homeland Security:</u>			
<u>Passed through New York State Department of Homeland Security and Emergency Services -</u>			
Federal Emergency Disaster Assistance	97.036	055-UG01N-00	\$ 5,965
Total U.S. Department of Homeland Security			<u>\$ 5,965</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 899,937</u>



BUSINESS
ADVISORS
AND CPAS

**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit
of Financial Statements Performed in Accordance With
*Government Auditing Standards***

Independent Auditors' Report

To the Board Members
Board of Cooperative Educational Services
Second Supervisory District of Monroe and Orleans Counties, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York (the BOCES) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the BOCES' basic financial statements, and have issued our report thereon dated October 3, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered BOCES' internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the BOCES' internal control. Accordingly, we do not express an opinion on the effectiveness of the BOCES' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the BOCES' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the BOCES' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the BOCES' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mengel, Metzger, Baw & Co. LLP

Rochester, New York
October 3, 2025

**BOARD OF COOPERATIVE EDUCATIONAL
SERVICES
SECOND SUPERVISORY DISTRICT OF
MONROE AND ORLEANS COUNTIES**

NEW YORK

**COMMUNICATING INTERNAL CONTROL
RELATED MATTERS IDENTIFIED IN AN AUDIT**

For Year Ended June 30, 2025





BUSINESS
ADVISORS
AND CPAS

October 3, 2025

To the Board Members
Board of Cooperative Educational Services
Second Supervisory District of
Monroe and Orleans Counties, New York

In planning and performing our audit of the financial statements of the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York (the BOCES) as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the BOCES' internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the BOCES internal control. Accordingly, we do not express an opinion on the effectiveness of the BOCES' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated October 3, 2025 on the financial statements of the BOCES. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. Our comments are summarized as follows:

Prior Year Deficiencies Pending Corrective Action:

Special Aid Fund –

The Special Aid fund incurred an operating loss of \$275,427 in fiscal year 2025 which increased the deficit year end fund balance to \$4,742,149. The overall deficit is primarily due to deficits incurred by the EPE program and preschool projects.

We recommend the fiscal stability of these programs continue to be reviewed.

(Prior Year Deficiencies Pending Corrective Action) (Continued)

Payroll –

During our examination of payroll, we noted one instance in which an employee received a vacation buyout, however, the calculation of the buy out was not clearly documented on a separate form with the administrator's approval.

We recommend vacation and/or retirement payouts be calculated on a separate form and approved by an administrator prior to payment.

Current Year Deficiency in Internal Control:

Disbursements –

During our review of disbursements, we noted that the BOCES reimburses employees for finger printing expenses. However, reimbursements for finger printing expenses is not specified in BOCES contracts or Board policy.

We recommend allowable reimbursement expenses be outlined in the BOCES contracts or by Board policy.

Prior Year Recommendation:

Prior year recommendations have been noted above.

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*

*

We believe that the implementation of these recommendations will provide the Board of Cooperative Educational Services Second Supervisory District of Monroe and Orleans Counties, New York with a stronger system of internal control while also making its operations more efficient. We will be happy to discuss the details of these recommendations with you at your convenience.

This communication is intended solely for the information and use of management, the Board, audit committee, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

We wish to express our appreciation to the business office staff for all the courtesies extended to us during the course of our examination.

Rochester, New York
October 3, 2025

Mengel, Metzger, Barw & Co. LLP



**Finance
Office**

Steve Roland
Assistant Superintendent
for Finance and Operations
Tel: (585) 352-2412
Fax: (585) 352-2756
Email:
sroland@monroe2boces.org

October 10, 2025

Mr. Thomas Zuber
Mengel Metzger Barr & Co., LLP
100 Chestnut Street, Suite 1200
Rochester, NY 14604

Tom,

This letter is in response to your Management Letter for the audit of the Monroe 2-Orleans BOCES' financial records for the year-ending June 30, 2025:

Special Aid Fund

We continue to work with NYSED to recover funds relating to the Preschool deficit. Our Cost Screen Waivers are awaiting approval from the Division of Budget.

The Adult Education Program had another surplus for the 24/25 school year due to stable enrollment and local grant funding to support student programs in various high demand trades. The EPE Program was, again, positively impacted by multi-year WIOA program grants that enhance services to students. For the 25/26 school year, the program will benefit from multiple new and continuing local grants for adult training programs totaling more than \$700,000.

The Business Office meets regularly with the Adult Education Program to monitor the deficit situation and make adjustments where needed to support adult learning in a fiscally responsible manner. We implemented our business plan on July 1, 2025, for the 25/26 school year.

Payroll

The Vacation Day buyout was done in accordance with our Classified Handbook and approved by Administration. However, effective immediately, Human Resources will create a specific form showing the calculation and the appropriate authorization.

Disbursements

A Policy will be created, for the Board's consideration, outlining the process for reimbursing staff for Fingerprinting expenses. This will be in place January 1, 2026.

Please let me know if you have questions or concerns.

Sincerely,

Steve Roland
Assistant Superintendent
for Finance and Operations

9. Old Business -none

10. New Business

1. Resolution to Approve 2025-26 Academic Intervention Services Plan

ACADEMIC INTERVENTION SERVICES

Monroe 2-Orleans BOCES

2025-2026

Board Approved _____

Overview of AIS:

Academic Intervention Services (AIS) is supplemental instruction or additional support that assist K – 12 students who are at risk of not achieving the state learning standards for ELA and/or Math as evidenced by the student eligibility factors listed below.

AIS will be maintained as per New York State Education Department regulations.

Student Eligibility Factors:

The multiple measures below should be utilized for student eligibility of AIS. Students should be considered holistically; a single indicator does not necessarily qualify a student.

- Performing 2 or more grade levels below on:
 - o iReady/IXL
 - o Literacy Profile
 - o Benchmark Assessments
 - o Classwork (i.e. lesson/unit assessments, progress monitoring, writing samples, projects, etc.)
- Scoring Level 1 or 2 on the New York State ELA or Math test
- Failing a Regents Exam in Math, ELA, Social Studies, or Science

Please note:

- Students may be eligible for AIS in ELA, Math or both content areas.
- If a student is not classified as NYSAA then they are required to receive AIS under the eligibility factors listed above.
- For students in grades K - 2 there may be an insufficient amount of assessment and anecdotal data to determine eligibility.

Student Exit Factors:

The multiple measures below should be utilized to determine if a student no longer requires AIS. Students should be considered holistically; a single indicator does not necessarily qualify a student.

- Performing at grade level on:
 - o iReady/IXL
 - o Literacy Profile
 - o Benchmark Assessments
 - o Classwork (i.e. lesson/unit assessments, progress monitoring, writing samples, projects, etc.)
- Scoring Level 3 or 4 on the New York State ELA or Math test
- Passing a Regents Exam in Math, ELA, Social Studies, or Science

Verify your AIS roster:

A list of each of your students and their current AIS status will be sent to you from the Department of Exceptional Children or Westside Academy. Once you receive this list, please follow the steps below.

Step 1 – Confirm all your students are listed. If a student is missing, please add them to the list. Strikethrough any student who should not be on your roster.

Step 2 – Verify the AIS status of each of your students. Indicate any required changes in AIS status and/or content areas. If a student no longer requires AIS in ELA and/or Math, provide a note with your rationale.

Step 3 – Identify the intervention provider for each content area

Step 4 – Sign the AIS roster

Step 5 – Submit your updated AIS roster by the last day of October to Tanya Frank tfrank@monroe2boces.org (for Department of Exceptional Children) or Lorraine Bennett lbennett@monroe2boces.org (for Westside Academy).

Note: AIS rosters should be verified quarterly using steps 1-3 above. Notify Tanya Frank or Lorraine Bennett of any changes with your rationale.

Sample AIS Roster:

Homeroom Teacher Name:

School Year:

Student Name	AIS ELA	Provider	AIS Math	Provider
Josiah Jones	X	Mrs. Smith		
Amy Adams			X	Mr. Potter
Stacey Sullivan	X	Mrs. Peach	X	Mrs. Peach
Khalid Kemp				
Cassandra Carter	X	Mrs. Smith	X	Mr. Potter

I attest that the information above is accurate.

Teacher's Signature: _____

Ongoing Progress Monitoring:

It is the teacher's professional responsibility to monitor students' progress every 4-6 weeks. It is best practice to keep documentation of students' AIS goals and progress. Goals and instruction should change as students develop their skill set and progress toward their grade level standards.

Reporting AIS Progress:

Quarterly AIS comments for the report card.

Choices:

- *Your student continues to progress toward academic achievement and will continue to receive AIS.*
- *At this time your student is not making progress toward academic achievement and will continue to receive AIS.*
- *Your student is not making progress toward academic achievement due to frequent absences.*

Sample Identification Letter:

The letter below will be sent from the Department of Exceptional Children or Westside Academy (not from teachers) to families after you have verified your AIS roster or if a student is identified mid-year.

(Date)

Dear Parent/Guardian of (list child's name):

We are committed to ensuring that every student at Monroe 2-Orleans BOCES achieves their full potential. As part of this commitment, we provide Academic Intervention Services (AIS) to support students who need additional help in meeting the New York State learning standards in English Language Arts and Mathematics. Your child has been identified as a student who should receive AIS as designated below:

<i>AIS ELA</i>	<i>AIS Mathematics</i>
<i>(list provider's name or n/a)</i>	<i>(list provider's name or n/a)</i>

The focus for AIS support is to increase academic achievement. Supports may include, but are not limited to:

- *Remedial/supplemental instruction*
- *Small group instruction*
- *One-to-one instruction*
- *Interactive computer programs*

Ongoing evaluation of your child's progress will be shared with you and will be used to determine the need to continue or end these services. This information will be found in your child's report card.

If you have any questions regarding the provision of AIS, please feel free to contact me.

Sincerely,

Suzanne Maxim

or

Edward Mongold

[*smaxim@monroe2boces.org*](mailto:smaxim@monroe2boces.org)

[*emongold@monroe2boces.org*](mailto:emongold@monroe2boces.org)

Sample Exit Letter:

The letter below will be sent from the Department of Exceptional Children or Westside Academy (not from teachers) to families after you notify Tanya Frank (for Department of Exceptional Children) or Lorraine Bennett (for Westside Academy) that a student has met the exit factors.

(Date)

Dear Parent/Guardian of (list child's name):

Earlier this school year you received a letter informing you that your child is receiving Academic Intervention Services (AIS). Based on your student's academic progress your child will no longer require AIS in:

<i>AIS ELA</i>	<i>AIS Mathematics</i>
<i>(type X or leave blank)</i>	<i>(type X or leave blank)</i>

If you have any questions regarding the provisions of AIS, please feel free to contact me.

Sincerely,

Suzanne Maxim

or

Edward Mongold

[*smaxim@monroe2boces.org*](mailto:smaxim@monroe2boces.org)

[*emongold@monroe2boces.org*](mailto:emongold@monroe2boces.org)

10. New Business

2. Regional Summer School and Extended School Year Report (Tom Schulte)

Regional Summer School Results Summary 2025

Number of Students at Regional Summer School Sites:

Number of Component School Districts Participating: **9**

	<u>Students</u>	<u>Courses</u>		<u>Course Charged</u>	
		Registered	Charge For	HS	MS
Middle School Program	188	352	321		321
Gates High School	1197	1925	1823	1823	
Greece Arcadia High School	1492	2540	2443	2443	
	2877	4817	4587	4266	321

853 (29.6%) took 2 or more classes

818 (28.4%) of students were individuals with disabilities

Total Students

	Middle School	High School	Total
Brockport	31	256	287
Churchville-Chili	54	280	334
Gates Chili	78	412	490
Greece		1196	1196
Hilton	3	222	225
Holley	3	32	35
Kendall	3	32	35
Spencerport	16	190	206
Wheatland-Chili		69	69
TOTALS:	188	2689	2877

<u>Number of Courses</u>	<u>New</u>		<u>Remedial</u>			Review	Test	Clinic	MS	Total
	1	1/2	1	1/2	1/4					
Brockport	3	4	146	4		121	97	2	56	433
Churchville-Chili	2	7	167	11		104	140	4	74	509
Gates Chili		3	270	9	11	213	179	28	114	827
Greece	24	32	574	31		763	609			2033
Hilton	2	2	65	1		162	85		6	323
Holley	1	4	18			10	12		3	48
Kendall			12			18	5	2	2	39
Spencerport	3	2	109			74	65		30	283
Wheatland-Chili			18	2		40	32			92
TOTALS:	35	54	1379	58	11	1505	1224	36	285	4587

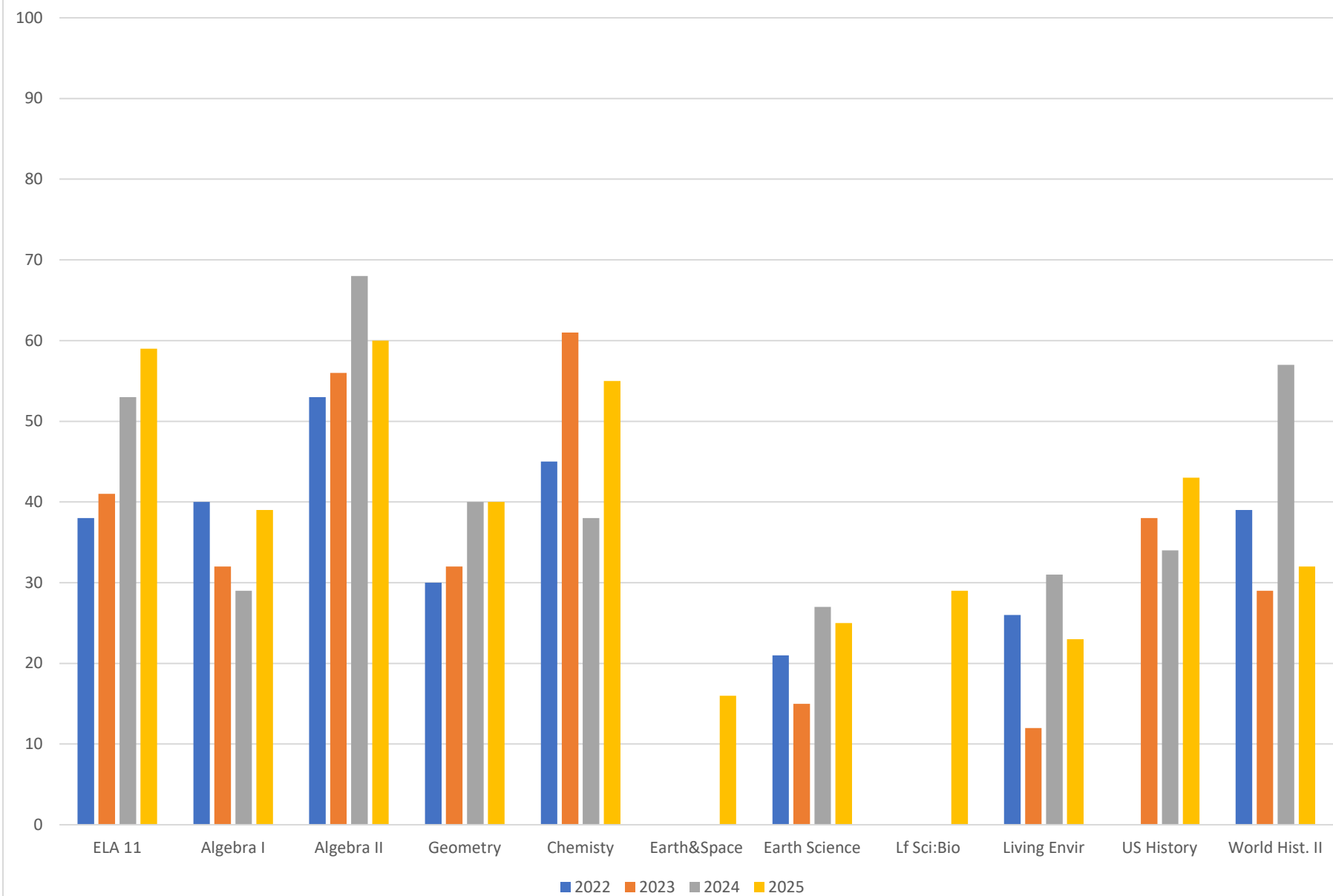
ESYP & Regional Summer School Enrollment Numbers

Credit Recovery Regional Summer School		
Students	2025	2024
Initially Enrolled	163	176
Finished	163	176
Withdrawn Completely	0	0
Course Type	Total	Total
Fuel Ed	16	18
Remedial	367	502
New	14	47
Test	185	66
Total	582	633

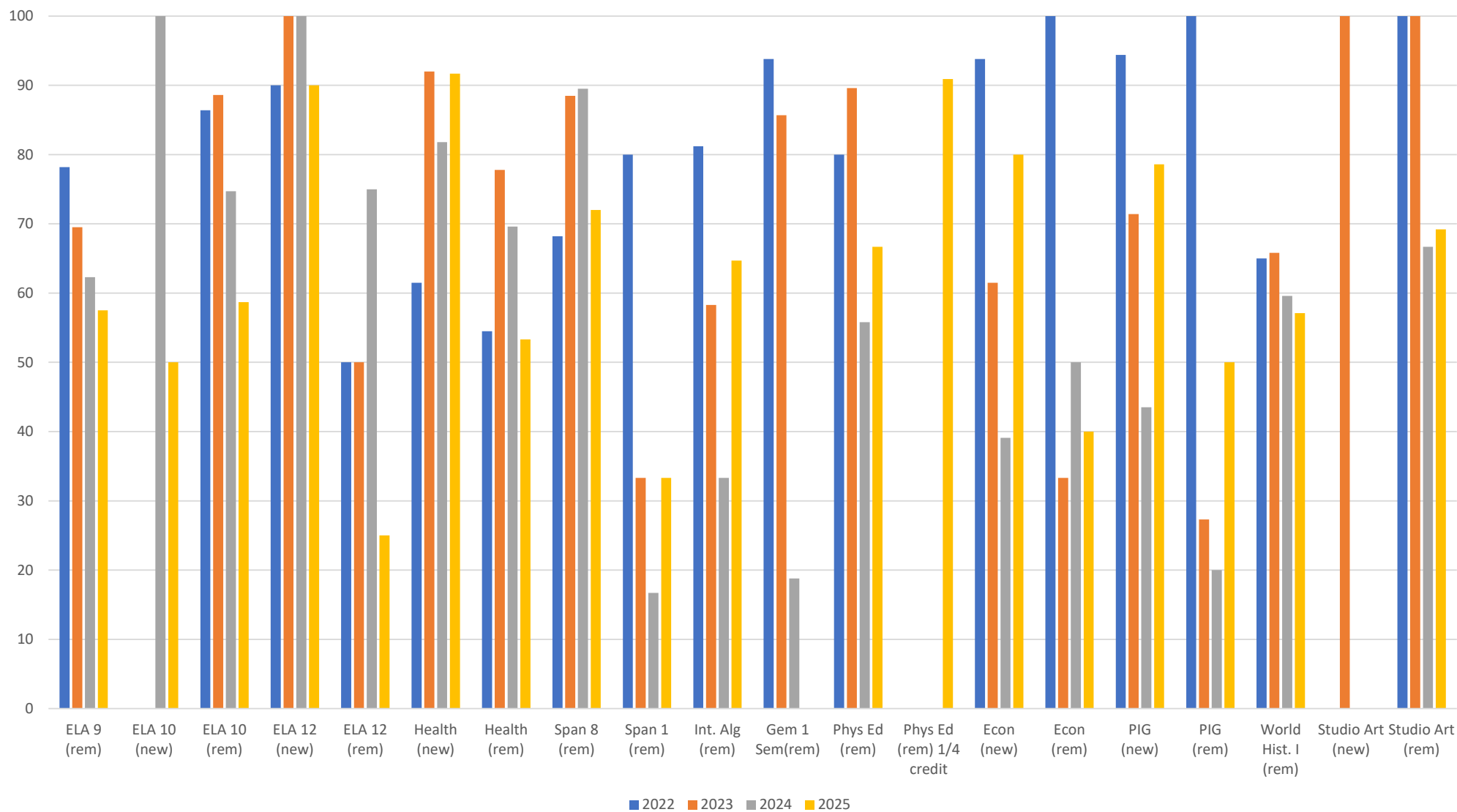
Regional Summer School		
Students	2025	2024
Initially Enrolled	2956	2882
Finished	2790	2666
Withdrawn from at least 1 course	305	321
Withdrawn Completely	166	216
Courses and Tests	Total	Total
New	35	56
New 1/2	57	61
Remedial	1840	1867
Remedial 1/4	16	NA
Remedial 1/2	74	115
Review	1516	1431
Test Only	1242	934
Clinic	38	35
Total	4818	4499

Extended School Year Program Enrolled Students		
	2025	2024
Classroom	198	235
BOCES Students	197	232
District-based Students	1	3
Related Services Only	51	50
BOCES Students	1	1
District-based Students	50	49

RSS Regents Exam Passing %



RSS Non-Regents Courses Passing % (65+)



10. New Business
 3. Board Workshop Discussion

10. New Business

4. Board Handbook Planning

10. New Business

5. BoardDocs Discussion

11. Personnel and Staffing

1. Resolution to Approve Personnel and Staffing Agenda

8/29/2025

Return to Human Resources by 10/1/2025

Monroe 2-Orleans BOCES
3599 BIG RIDGE ROAD

HUMAN RESOURCES

OCT 03 2025

MONROE 2-ORLEANS
BOCES

RECOMMENDATION FOR TENURE APPOINTMENT

- I. **Identifying Information:** Name: Theresa M. Alampi-Cortez
Eligible for Tenure: 02/27/2026
Notify Board: 10/15/2025
Board Action: 11/19/2025
Tenure Area: Asst. Principal-Career/Technical Ed.
- II. **Education Training:** BA – St. John Fisher College, 5/03
MS – North Carolina State University, 5/09
CAS – SUNY Brockport, 8/20
- III. **Certification:** Professional – English language Arts (7-12), 9/1/13
Professional – School District Leader, 4/1/21
- IV. **Previous Experience:** Teaching:
North Johnston MS (NC), 7/03-6/07
Clayton HS (NC), 6/07-6/10
Corinth Holders HS (NC), 7/10-6/14
Rochester Career Mentoring, 7/14-8/15
BOCES 2, 9/15-2/22
- V. **Experience with BOCES:** Theresa M. Alampi-Cortez has been employed by Monroe 2-Orleans BOCES as a(n) Asst. Principal-Career Technical Education since 02/28/2022.
- VI. **Comments to be given on one of the following attachments located under H.R. Managerial forms.**

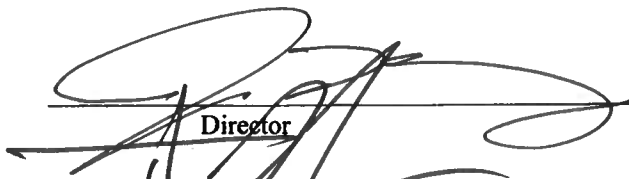
Attachment A – Teacher Attachment B - Administrator

10/2/25
Date

10/3/25
Date

10/6/25
Date

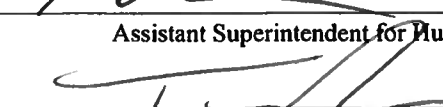
10/6/25
Date



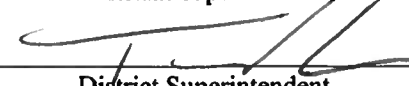
Director



Assistant Superintendent



Assistant Superintendent for Human Resources



District Superintendent

Program and Service Responsibility:

Over the course of her time as an assistant principal, Theresa Cortez has supervised multiple programs, including: medical areas like Dental Assisting, Nurse Assisting, & New Visions Medical Careers; as well as technical areas like Carpentry, HVAC, Machining, Electrical, & Welding. In all cases, she holds those that she supervises to a high standard, but balances her expectations with a high degree of support. She is willing to step into any classroom and teach any content and is able to model good teaching practices.

In addition to her supervision of staff, she is responsible for addressing discipline of students in all of these same programs. In this capacity, Theresa has demonstrated a strong ability to build connections with students and to address behavioral infractions with respect, dignity, and high expectations. She reinforces the CTE expectation of work place readiness and as such helps students to understand how they are transitioning from high school to adulthood.

People and Systems:

In addition to her instructional supervision, she also has taken on the role of leading our new teacher training program. In this capacity, she leads the implementation of new teacher orientation using the "Teaching to Lead" curriculum, a program that begins at the time of hiring, and then continues with regular meetings through the first two years in our program. Theresa also coordinates our work with Buffalo State College and assists in teaching the college courses our teachers need in order to advance in the certification process. She oversees all mentoring that happens in our CTE programs. Throughout all of this, Theresa's expertise as a teacher allows her to lead through modeling and she brings a high degree of credibility in supporting new CTE teachers as they transition from industry experts into highly qualified teachers.

Strategic Leadership:

Theresa has played an integral role in our administrative team's development of instructional priorities. Our leadership team worked together to build a vision that prioritizes strong basic instructional competencies. From that work, Theresa's knowledge of resources and experience as an instructional specialist played an integral role in the development of our teacher coaching model that is now the focal point of our instructional support system for teachers.

During recent months, Theresa also worked to support staff impacted by our current construction project. The combination of her knowledge of curriculum, and the strong trust that she has built with teachers, allowed her to lead them through a process to ensure program stability. She helped teachers shift their curriculum so that limitations on space and accessibility of materials would not impact the overall experience students had in those programs.

Modeling Organizational Values:

Theresa is a proud spokesperson for Career & Technical Education. In all of her interactions with staff and students she incorporates the values espoused by CTE and the SkillsUSA framework. She speaks to the potential for personal growth through the concepts of work readiness.

Within the larger context of Monroe 2-Orleans BOCES, Theresa models the "Belong at BOCES" through her respect for all students and staff that she works with.

Teamwork:

Theresa is a respected member of our CTE leadership team. While our team is made up of a group of very unique individuals, there is a common theme of respect and appreciation for CTE and its role in education. While our group often takes time to work through solutions, the constant is respect for the program, our staff, and our students. One of the keys to our team's success is the ability to come together, respectfully work through challenges, and build consensus. Theresa has always been willing to work through these challenges respectfully and will always follow up with a colleague individually to ensure that disagreements in process don't impact our ability to collaborate on whatever the next challenge may be.

Professional Growth:

One way in which Theresa's passion for CTE shines through is in her work with the Association for Career & Technical Education Administrators (ACTEA). As a member of the regional executive board, she plays an integral role in the development of professional growth opportunities for CTE administrators in our region and our state. She is an active participant in the planning process and attends all events with an eye for her own professional growth.

Theresa is also well connected with the CTE Technical Assistance Center (TAC) and diligently seeks out their support for our teachers as well as our leadership team.

8/29/2025

Return to Human Resources by 10/1/2025

HUMAN RESOURCES
OCT 01 2025
MONROE 2 - ORLEANS
BOCES

Monroe 2-Orleans BOCES
3599 BIG RIDGE ROAD

RECOMMENDATION FOR TENURE APPOINTMENT

- I. **Identifying Information:** Name: Lisa E. Dickerman
Eligible for Tenure: 02/27/2026
Notify Board: 10/15/2025
Board Action: 11/19/2025
Tenure Area: English to Spkrs. of Other Languages
- II. **Education Training:** BA – Teikyo Post University, 5/05
MA – National- Louis University, 7/13
- III. **Certification:** Initial – English to Speakers of Other Languages, 4/27/22-9/1/27
- IV. **Previous Experience:** Avon CSD, 1/07-6/13
River Ridge Villa Hills, 8/13-6/15
RCSD, 10/16-12/19
- V. **Experience with BOCES:** Lisa E. Dickerman has been employed by Monroe 2-Orleans BOCES as a(n) Teacher-ESL teacher since 02/28/2022.
- VI. **Comments to be given on one of the following attachments located under H.R. Managerial forms.**

Attachment A - Teacher
Attachment B - Administrator

9/26/25
Date
10/1/25
Date
10/1/25
Date
10/2/25
Date

S. Maxon
Director
[Signature]
Assistant Superintendent
[Signature]
Assistant Superintendent for Human Resources
[Signature]
District Superintendent

Planning and Preparation:

Lisa has strong teacher planning and preparation through her reflective teaching practices, use of student data, and professional engagement. She aligns lesson activities with learning targets, uses formative assessments, and adjusts instruction based on student needs. Lisa maintains organized student records, communicates regularly with families and classroom teams, and attends meetings to support student progress. Her commitment to professional development—including workshops, conferences, and university teaching—demonstrates her dedication to staying current in best practices. She also shows flexibility in scheduling and advocates for ELL students with special needs, modeling strategies for colleagues and sharing resources.

Classroom Work/Environment:

She establishes a clear learning routine by reviewing objectives and using tools like table tents and laptops to support student engagement. Despite working in a flexible space that changes daily, Lisa maintains consistency in procedures, helping the student understand when and how to participate. Her positive relationship with the student fosters a supportive atmosphere, and she adapts the physical setup creatively to simulate a traditional classroom. Lisa also manages behavior effectively through proximity and rapport, and she uses high-interest materials like *Diary of a Roblox* to keep the student engaged. Her instructional strategies include vocabulary modeling, emotional expression, and responsive shifts in activity (e.g., allowing drawing when the student is tired), all contributing to a well-managed and student-centered learning environment.

Delivery of Instruction or Services:

Completed evaluations describe Lisa's delivery of instruction as highly responsive, engaging, and aligned with best practices for ENL students. She begins lessons by clearly stating objectives and uses high-interest texts like *Diary of a Roblox* to maintain student engagement. Her instruction includes modeling vocabulary, using facial expressions to convey meaning, and encouraging student interaction through questioning and discussion. Lisa adapts her approach based on student needs—for example, allowing drawing as an alternative form of expression when the student is tired. She incorporates formative assessments throughout the lesson and ends with a self-assessment activity using color-coded cards. Her instruction is personalized, flexible, and focused on literacy development, demonstrating a strong understanding of how to support English learners effectively.

Professional Responsibilities:

Lisa has strong professional responsibilities across multiple domains. She maintains detailed student records, communicates regularly with families and classroom teams, and attends CSE and team meetings. Lisa actively participates in professional development, including workshops on IEPs and ELLs, RBERN sessions, department meetings, and book studies. She also teaches at Roberts Wesleyan University and stays current with educational research. Her professionalism is evident in her flexibility with scheduling, advocacy for ELL students with special needs, and willingness to model instructional strategies for colleagues and share resources with families.

8/29/2025

Return to Human Resources by 10/1/2025

HUMAN RESOURCES

SEP 23 2025

MONROE 2 - ORLEANS
BOCES

Monroe 2-Orleans BOCES
3599 BIG RIDGE ROAD

RECOMMENDATION FOR TENURE APPOINTMENT

- I. **Identifying Information:** Name: Brittany M. Schneider
Eligible for Tenure: 02/13/2026
Notify Board: 10/15/2025
Board Action: 11/19/2025
Tenure Area: Special Education
- II. **Education Training:** AAS -- Monroe Community College, 8/12
BS -- SUNY Brockport, 5/17
MS -- SUNY Brockport, 8/19
- III. **Certification:** Initial -- Early Child Education Birth-Grade 2, 2/4/22-9/1/27
Professional -- SWD/(Grades 1-6), 6/29/23
Professional -- Childhood Education (1-6), 6/29/23
- IV. **Previous Experience:** Ivan Green Primary School, 9/19-6/21
- V. **Experience with BOCES:** Brittany M. Schneider has been employed by Monroe 2-Orleans BOCES as a(n) Teacher-Special Education teacher since 02/14/2022.
- VI. **Comments to be given on one of the following attachments located under H.R. Managerial forms.**

Attachment A - Teacher

Attachment B - Administrator

9/22/25
Date
9/23/25
Date
9/24/25
Date
9/24/25
Date

[Signature]
Director
[Signature]
Assistant Superintendent
[Signature]
Assistant Superintendent for Human Resources
[Signature]
District Superintendent

Planning and Preparation:

Brittany demonstrates exceptional planning and preparation for each lesson and activity, approaching her work in an organized and proactive manner. She consistently strives to engage her students in activities that align with their interests. Over the past two years, Brittany has concentrated on enhancing her ability to provide high-quality centers for English Language Arts (ELA) and mathematics, achieving notable success in this area.

Her deep understanding of her students, along with her knowledge of curriculum standards and expectations, enables her to effectively design lessons that not only align with grade-level requirements but also cater to the individual skill levels of her students. This tailored approach ensures that all students are appropriately challenged and supported in their learning.

Classroom Work/Environment:

Brittany's classroom exemplifies a warm and welcoming atmosphere, fostering a safe, clean, and familiar space conducive to learning. The environment is highly structured and consistent, ensuring smooth operations even when individual students face challenges. Brittany has effectively empowered and trained her paraprofessionals to manage the classroom seamlessly during her absence, addressing students' diverse needs. Observations over the past 2.5 years indicate that students have a clear understanding of routines and expectations, enabling them to transition between activities independently and without adult directions. This commitment to creating an effective learning environment highlights Brittany's professionalism and dedication, supporting her tenure recommendation.

Delivery of Instruction or Services:

Brittany, as a newer teacher, exhibits strong skills in delivering instruction across small groups, whole groups, and individual settings. She communicates her expectations clearly, explains content effectively, and ensures that students understand their learning objectives prior to instruction. Additionally, she adeptly modifies activities to accommodate individual student needs.

Brittany demonstrates the ability to seamlessly adjust lesson plans based on student engagement and performance at any given moment. Furthermore, we have collaborated to enhance her implementation of exit tickets and similar assessments during center rotations, further improving her instructional delivery.

Professional Responsibilities:

Brittany exemplifies professionalism within her classroom and actively engages with the school community. She consistently reflects on her teaching practices and is eager to seek feedback to enhance her effectiveness. Brittany fosters professional and trusting relationships with the parents and families of her students.

To further her growth, it is essential for Brittany to maintain her role as the classroom leader, ensuring that paraprofessionals adhere to her expectations. While she has made notable progress in this area, continued enhancement will come with experience over time. Overall, Brittany demonstrates a commitment to her professional development, which is commendable for her tenure recommendation.

12. Bids/Lease Purchases

1. Resolution to Accept Print Shop Supplies Bid
2. Resolution to Accept Cooperative Fine Paper Bid
3. Resolution to Accept Cooperative Audio-Visual Equipment Install

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
Second Supervisory District of Monroe and Orleans Counties
3599 Big Ridge Road, Spencerport, NY 14559

BID RECOMMENDATION

PRINT SHOP SUPPLIES

Bid #RFB-2140-25 was opened on September 4, 2025, at 2:00 p.m. My recommendation for the award of this contract is as follows:

Central Ink \$57,859.00

Mark Andy Print Products \$14,825.50

Bids obtained: 25

Bids submitted: 3

Bid Analysis

The bid for Print Shop Supplies has been recommended for award on a line by line basis to the lowest responsive and responsible bidder that met all the required specifications.

Funds to be provided from the 2025-2026 and 2026-2027 CATS budget.

September 23, 2025
Date



Director of Procurement

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
Second Supervisory District of Monroe and Orleans Counties
3599 Big Ridge Road, Spencerport, NY 14559

BID RECOMMENDATION

COOPERATIVE FINE PAPER

Bid# RFB-2139-25 was opened on September 4, 2025, at 2:00 p.m. My recommendation for the award of this contract is as follows:

WB Mason	\$1,010,563.94
Economy Paper Co.	\$419,874.18
Veritiv Operating Corp.	\$156,167.90
Lindenmeyr-Munroe.	\$146,475.00
Head to Heels	\$5,243.04
Pyramid School Products	\$479.60

Bids obtained: 38

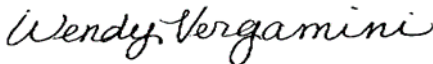
Bids submitted: 9

Bid Analysis

The bid for Cooperative Fine Paper Supplies has been recommended for award on a line-by-line basis to the lowest responsive and responsible bidders that met all the required specifications. The bid for Cooperative Fine Paper will be used by the CaTS print shop and all other BOCES programs for copying and classroom supplies.

Funds to be provided from the 2025-2026 all program budgets.

September 23, 2025
Date



Director of Procurement

BOARD OF COOPERATIVE EDUCATIONAL SERVICES
Second Supervisory District of Monroe and Orleans Counties
3599 Big Ridge Road, Spencerport, NY 14559

BID RECOMMENDATION

COOPERATIVE AUDIO-VISUAL
EQUIPMENT INSTALLATION SERVICE

Bid #RFB-2153-26 was opened on September 4, 2025, at 2:00 p.m. My recommendation for the award of this contract is as follows:

The Smart Guys \$86,625.00

Bids obtained: 32 Bids returned: 2

BID ANALYSIS

The bid for Cooperative Audio-Visual Equipment Installation Service has been recommended for award to the lowest responsive and responsible bidder that met all the required specifications.

Funds to be provided from the 2025-2026 and 2026-2027 CATS budget.

September 11, 2025
Date



Director of Procurement

13. Executive Officer's Reports

1. Albany D.S. Report
2. Local Update

14. Upcoming Meetings/Calendar Events

- Oct 15 Noon MCSBA District Operations Strathallan
6:00 pm Board Meeting ESC, Board Room
- Oct 16 6:00 pm CWD Open House WEMOCO
- Oct 29 5:30 pm MCSBA Board Leadership Strathallan
- Nov 4 6:00 pm Brockport CSD BOE 40 Allen St.
Brockport
- Nov 5 Noon MCSBA Legislative Strathallan
4:30 pm MCSBA Steering Zoom
5:30 pm CTWE Expo Night WEMOCO
- Nov 12 Noon MCSBA Information Exchange Strathallan
5:30 pm Board Leadership Strathallan
- Nov 13 Noon Board Office Agenda Review TBD
- Nov 15 6:00 pm Educational Foundation Gala Ridgemont CC
- Nov 19 6:00 pm Board Meeting ESC, Board Room

15. Other Items
16. Executive Session for the purpose of discussing the employment history of a particular person
17. Adjournment