

BALDWINSVILLE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
FINANCIAL REPORT

For Year Ended June 30, 2020

MENGEL METZGER BARR & CO. LLP
RAYMOND F. WAGER, CPA, P.C. DIVISION

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Baldwinsville Central School District, New York

We have audited the accompanying statement of cash receipts and disbursements of the Extraclassroom Activity Funds of the Baldwinsville Central School District for the year ended June 30, 2020 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statement 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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

Internal accounting controls are limited over the cash receipts from the point of collection to the time of submission to the Central Treasurer. Accordingly, it was impracticable to extend our audit of such receipts beyond the amounts recorded.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the basis for qualified opinion paragraph, the financial statement referred to in the first paragraph presents fairly, in all material respects, the cash receipts and disbursements of the Extraclassroom Activity Funds of Baldwinsville Central School District for the year ended June 30, 2020, in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. This financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
December 9, 2020

BALDWINSVILLE CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For Year Ended June 30, 2020

<u>Baker High School:</u>	<u>Cash Balance</u> <u>July 01, 2019</u>	<u>Receipts</u>	<u>Disburse-</u> <u>ments</u>	<u>Cash Balance</u> <u>June 30, 2020</u>
Class of 2019	\$ 5,202	\$ 2	\$ 5,204	\$ -
Class of 2020	15,949	6,380	5,052	17,277
Class of 2021	8,049	8,933	3,888	13,094
Class of 2022	4,327	1,079	81	5,325
A-V	7,072	2,820	4,892	5,000
Acceptance Coalition	73	-	-	73
Baker Art Club	1,804	1,870	1,264	2,410
Baker Environmental	1,101	138	764	475
BEAST	120	107	226	1
Boys' Swim Team	3,149	1,851	1,169	3,831
Business Club	376	1,414	788	1,002
Company Bee	938	5	-	943
FCCLA	591	2,337	1,310	1,618
Girls' Swim Team	2,286	2,279	2,133	2,432
Honor Society	287	8,016	8,015	288
Key Club	1,638	1,670	1,831	1,477
Lyre Staff	7,268	3,978	2,954	8,292
Marching Band	14,519	163,450	170,704	7,265
Model UN	2,232	2,157	3,062	1,327
Robotics Club	4,081	5,202	3,425	5,858
Science Olympiad	623	1,524	1,270	877
Ski Club	2,303	11,180	11,556	1,927
STEAM Club	211	1,238	1,322	127
Student Council	4,051	14,765	14,254	4,562
Technical Student Association	1,238	256	636	858
Theater Arts	10,612	61,394	31,396	40,610
Total Baker High School	<u>\$ 100,100</u>	<u>\$ 304,045</u>	<u>\$ 277,196</u>	<u>\$ 126,949</u>

<u>Durgee Junior High School:</u>	Cash Balance July 01, 2019	Receipts	Disburse- ments	Cash Balance June 30, 2020
Class of 2023	\$ -	\$ 6,659	\$ 3,997	\$ 2,662
Durgee Choral	15,215	-	15,215	-
Honor Society	437	2	153	286
School Store	2,980	3,847	3,195	3,632
Ski Club	566	5,100	5,616	50
Student Council	3,954	991	959	3,986
Yearbook	16,252	3,092	1,534	17,810
Total Durgee Junior High School	<u>\$ 39,404</u>	<u>\$ 19,691</u>	<u>\$ 30,669</u>	<u>\$ 28,426</u>
<u>Ray Middle School:</u>				
Ray Band	\$ 1,471	\$ 3,642	\$ 2,240	\$ 2,873
Ray Orchestra	3,466	10,198	8,599	5,065
Ray Riffers	498	2,191	1,222	1,467
Ray School Store	9,111	494	56	9,549
Ray Ski Club	407	10,515	10,200	722
Ray Student Council	4,140	21	835	3,326
Ray Team 6-3	3,385	17	974	2,428
Ray Yearbook	10,181	3,520	2,930	10,771
Total Ray Middle School	<u>\$ 32,659</u>	<u>\$ 30,598</u>	<u>\$ 27,056</u>	<u>\$ 36,201</u>
Sales Tax	<u>\$ 2,113</u>	<u>\$ 3,623</u>	<u>\$ 5,672</u>	<u>\$ 64</u>
GRAND TOTAL	<u>\$ 174,276</u>	<u>\$ 357,957</u>	<u>\$ 340,593</u>	<u>\$ 191,640</u>

(See accompanying notes to financial statement)

BALDWINSVILLE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
NOTES TO FINANCIAL STATEMENT

June 30, 2020

(Note 1) **Accounting Policy:**

The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of the Baldwinsville Central School District. Consequently, the cash balances are included in the financial statements of the School District as part of the Trust and Agency Fund.

The accounts of the Extraclassroom Activity Funds of the Baldwinsville Central School District are maintained on a cash basis, and the statement of cash receipts and disbursements reflects only cash received and disbursed. Therefore, receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under generally accepted accounting principles, and which may be material in amount, are not recognized in the accompanying financial statement.

(Note 2) **Cash and Cash Equivalents:**

Cash and cash equivalents is comprised of one checking account and one certificate of deposit. The balance in these accounts is fully covered by FDIC Insurance.

(Note 3) **COVID-19:**

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risk to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

This outbreak and the continuing effects of the COVID-19 health crisis resulted in limited activities and student involvement in the Extraclassroom activities and transactions from the date of closure to the end of the fiscal year.

BALDWINSVILLE CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

AUDITORS' FINDINGS AND EVALUATION

We have examined the statement of cash receipts and disbursements of the Baldwinsville Central School District's Extraclassroom Activity Funds for the year ended June 30, 2020. As part of our examination, we made a study and evaluation of the system of internal accounting control to the extent we deemed necessary to render our opinion.

There are inherent limitations in considering the potential effectiveness of any system of internal accounting control. Human errors, mistakes of judgment and misunderstanding of instructions limit the effectiveness of any control system. In particular, cash being handled by numerous students and faculty advisors at various functions provides an atmosphere of limited control over those receipts.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

Prior Year Deficiency Pending Corrective Action:

Baker High School –

Sales Tax

During the course of our examination, we noted one instance in the Class of 2021, one instance in the Baker Student Council, and one instance in the Environmental Club in which sales tax was paid on the purchase of items intended for resale.

We recommend the District continue to monitor this situation to ensure compliance with New York State Sales Tax Law.

Current Year Deficiency in Internal Control:

Baker High School –

Employee Compensation

During the course of our examination, we noted one instance in the Theater Arts Club and one instance in the Marching Band in which District employees were paid from extraclassroom funds for work performed.

We recommend all payments to District employees for extra work performed be processed through payroll. In addition, the Club which requested the services should reimburse the District for these costs.

Other Item:

The following item is not considered to be a deficiency in internal control, however, we consider it an other item which we would like to communicate to you as follows:

Inactive Club –

As indicated on the statement of cash receipts and disbursements, the Acceptance Coalition Club, was financially inactive, during the 2019-20 fiscal year.

We recommend the status of this club be reviewed. If no future financial transactions are anticipated, it should be closed in accordance with the Board of Education policy.

Prior Year Recommendation:

We are pleased to report that the following prior year recommendation has been implemented to our satisfaction:

1. We did not note any instances where receipts collected by the A-V Club were not deposited on a timely basis.

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We wish to express our appreciation to all client personnel for the courtesies extended to us during the course of our examination.

Mengel, Metzger, Barw & Co. LLP

Rochester, New York
December 9, 2020