

BALDWINSVILLE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
FINANCIAL REPORT

For Year Ended June 30, 2022



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

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

Qualified and Unmodified Opinions

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, 2022 and the related notes to the financial statement.

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, 2022, in accordance with the cash basis of accounting as described in Note 1.

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.

Emphasis of Matter – 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.

Responsibility of Management for the Statement of Cash Receipts and Disbursements

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; and for 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 Responsibilities for the Audit of the Financial Statement

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 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, 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 District's 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 District's 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.

Mengel, Metzger, Baw & Co. LLP

Rochester, New York
December 20, 2022

BALDWINSVILLE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For Year Ended June 30, 2022

<u>Baker High School:</u>	<u>Cash Balance</u> <u>July 01, 2021</u>	<u>Receipts</u>	<u>Disburse-</u> <u>ments</u>	<u>Cash Balance</u> <u>June 30, 2022</u>
Class of 2021	\$ 29,669	2,139	31,808	\$ -
Class of 2022	7,716	54,239	37,250	24,705
Class of 2023	5,276	29,615	8,165	26,726
Class of 2024	848	202	232	818
A-V	4,926	1	4,927	-
Acceptance Coalition	74	176	-	250
Baker Art Club	3,203	2,688	2,123	3,768
Baker Environmental	546	1,350	647	1,249
Baker News	-	4,928	1,340	3,588
BEAST	1	-	1	-
Boys' Swim Team	5,291	3,307	4,409	4,189
Business Club	1,005	-	-	1,005
Company Bee	946	-	-	946
FCCLA	475	5,144	5,101	518
Girls' Swim Team	1,335	3,412	2,770	1,977
Honor Society	449	4,846	4,892	403
Key Club	1,351	827	1,208	970
Lyre Staff	7,621	2,923	2,684	7,860
Marching Band	7,858	103,031	74,117	36,772
Model UN	1,330	1	-	1,331
Robotics Club	5,749	2,873	4,788	3,834
Science Olympiad	776	2,702	1,785	1,693
Ski Club	1,932	13,532	13,204	2,260
STEAM Club	127	-	127	-
Student Council	1,966	7,713	8,360	1,319
Technical Student Association	2,302	1	1,450	853
Theater Arts	23,256	46,023	46,490	22,789
Total Baker High School	<u>\$ 116,028</u>	<u>\$ 291,673</u>	<u>\$ 257,878</u>	<u>\$ 149,823</u>

<u>Durgee Junior High School:</u>	<u>Cash Balance</u> <u>July 01, 2021</u>	<u>Receipts</u>	<u>Disburse-</u> <u>ments</u>	<u>Cash Balance</u> <u>June 30, 2022</u>
Class of 2025	\$ -	\$ 4,886	\$ 2,766	\$ 2,120
Honor Society	787	65	276	576
School Store	3,642	1,543	1,121	4,064
Ski Club	50	11,292	10,812	530
Student Council	4,445	2,770	2,495	4,720
Yearbook	18,024	2,799	8,820	12,003
Total Durgee Junior High School	<u>\$ 26,948</u>	<u>\$ 23,355</u>	<u>\$ 26,290</u>	<u>\$ 24,013</u>
<u>Ray Middle School:</u>				
Ray Band	\$ 2,881	\$ 1	\$ -	\$ 2,882
Ray Orchestra	3,459	2,878	3,650	2,687
Ray Riffers	1,471	1	62	1,410
Ray School Store	9,575	5	-	9,580
Ray Ski Club	724	22,320	22,165	879
Ray Student Council	5,602	130	-	5,732
Ray Yearbook	12,626	2,451	879	14,198
Total Ray Middle School	<u>\$ 36,338</u>	<u>\$ 27,786</u>	<u>\$ 26,756</u>	<u>\$ 37,368</u>
Sales Tax	<u>\$ 1,219</u>	<u>\$ 10,045</u>	<u>\$ 7,001</u>	<u>\$ 4,263</u>
GRAND TOTAL	<u><u>\$ 180,533</u></u>	<u><u>\$ 352,859</u></u>	<u><u>\$ 317,925</u></u>	<u><u>\$ 215,467</u></u>

(See accompanying notes to financial statement)

BALDWINSVILLE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
NOTES TO FINANCIAL STATEMENT

June 30, 2022

(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 Custodial 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.

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, 2022. 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 –

Gift Cards

Our examination revealed one instance in the Lyre Staff in which gifts and awards including gift cards were purchased without meeting minutes indicating approval by a majority of club members.

We have been informed that the Administration has made club meeting minutes a point of emphasis during the annual training that occurred in the next fiscal year. We continue to recommend student meeting minutes or evidence of a vote by the majority of club members to support the expenditure.

Current Year Deficiency in Internal Control:

Baker High School –

Baker Art Club

During our interview with the Faculty Advisor of the Baker Art Club, we learned that the Student Treasurer is not typically involved in the counting of cash or preparation of profit and loss statements. In addition, we noted that a profit and loss statement prepared for one of this club’s fundraising activities did not bear the signature of the Student Treasurer.

According to New York State guidelines, each extraclassroom activity should have a Student Treasurer elected by the members of the organization. This individual should be responsible for signing payment orders, counting cash, maintaining the club ledger and preparing profit and loss statements. The Faculty Advisor would act in an oversight capacity regarding the financial transactions for the club. We recommend student participation be maximized whenever possible.

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 Clubs –

As indicated on the statement of cash receipts and disbursements, the Baker High School Business Club, and the Baker High School Company Bee were financially inactive during the 2021-22 fiscal year.

We recommend the status of these clubs be reviewed. If future financial transactions are not anticipated, they should be closed in accordance with the Board of Education policy.

Prior Year Recommendations:

The prior year recommendations have been noted above.

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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.

Rochester, New York
December 20, 2022

Mengel, Metzger, Barw & Co. LLP