

**SPENCERPORT CENTRAL SCHOOL DISTRICT**  
**EXTRACLASSROOM ACTIVITY FUNDS**  
**FINANCIAL REPORT**

**For Year Ended June 30, 2023**



BUSINESS  
ADVISORS  
AND CPAS

## **T A B L E   O F   C O N T E N T S**

Independent Auditors' Report	1 – 2
Statement of Cash Receipts and Disbursements for year ended June 30, 2023	3 - 4
Notes to Financial Statement	5
Auditors' Findings and Evaluation	6 - 8



BUSINESS  
ADVISORS  
AND CPAS

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Spencerport 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 Spencerport Central School District for the year ended June 30, 2023 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 Spencerport Central School District for the year ended June 30, 2023, 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, Barw & Co. LLP*

Rochester, New York  
November 21, 2023

**SPENCERPORT CENTRAL SCHOOL DISTRICT**  
**EXTRACLASSROOM ACTIVITY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**For Year Ended June 30, 2023**

<b><u>High School:</u></b>	<b><u>Cash Balance</u></b> <b><u>July 01, 2022</u></b>	<b><u>Receipts</u></b>	<b><u>Disburse-</u></b> <b><u>ments</u></b>	<b><u>Cash Balance</u></b> <b><u>June 30, 2023</u></b>
Class of 2022	\$ 1,408	\$ -	\$ 1,408	\$ -
Class of 2023	4,496	20,555	23,580	1,471
Class of 2024	3,782	18,174	14,186	7,770
Class of 2025	2,694	8,672	8,802	2,564
Class of 2026	-	2,303	1,551	752
Academy	29	-	-	29
Band Jazz	4,602	82,319	70,635	16,286
Best Buddies	111	-	52	59
Business Honor Society	440	-	62	378
Chorus	317	-	-	317
DECA	44	6,489	6,489	44
Environmental	-	235	-	235
Fashion Club	105	-	-	105
First Priority	386	-	-	386
French Club	4,300	6,407	9,968	739
French Honor Society	178	315	201	292
GSA	91	27	-	118
Hispanic Honor Society	716	820	409	1,127
History Club	1,087	1,000	1,970	117
Italian Club	531	-	-	531
Math Madness	422	140	278	284
Model UN	6	953	871	88
Newspaper / The Voice	203	-	-	203
National Honor Society	188	30	32	186
Panorama HS Yearbook	9,096	2,516	5,876	5,736
RC Club	10	-	-	10
Robotics Club	2,172	1,500	3,396	276
Sales Tax	4,745	6,445	6,535	4,655
School Store	15,642	57,413	56,147	16,908
Service	35	14,019	13,800	254
Show Choir	28	-	-	28
Snowsports Co-Ed	207	9,390	9,580	17
Spanish	3,550	-	363	3,187
<b>Subtotal</b>	<b>\$ 61,621</b>	<b>\$ 239,722</b>	<b>\$ 236,191</b>	<b>\$ 65,152</b>

<b><u>High School (Continued):</u></b>	<b><u>Cash Balance</u></b> <b><u>July 1, 2022</u></b>	<b><u>Receipts</u></b>	<b><u>Disburse-</u></b> <b><u>ments</u></b>	<b><u>Cash Balance</u></b> <b><u>June 30, 2023</u></b>
<b>Carryover Total</b>	\$ 61,621	\$ 239,722	\$ 236,191	\$ 65,152
Stage	28,104	28,633	33,934	22,803
Step	304	-	-	304
Student Government	19,938	26,320	19,961	26,297
Sources of Strength	-	400	-	400
Athletics -				
Bowling Co-Ed	21	-	-	21
Varsity/Pride Club	836	9,845	8,276	2,405
<b>Total High School</b>	<b>\$ 110,824</b>	<b>\$ 304,685</b>	<b>\$ 298,127</b>	<b>\$ 117,382</b>
<b><u>Middle School:</u></b>				
Justo Lamas	\$ 142	\$ 7	\$ -	\$ 149
Library	1,793	3,685	3,685	1,793
MS Cave Theatrical	13,246	18,701	13,556	18,391
MS FACS	4,597	66	611	4,052
MS Boston Trip	6,765	120,408	124,052	3,121
MS Service	440	1,031	1,123	348
Music Darien Trip	341	-	200	141
School Store	1,483	10,640	7,750	4,373
Ski Club	727	13,450	13,879	298
Student Government	1,805	1,482	1,773	1,514
Yearbook	-	527	-	527
<b>Total Middle School</b>	<b>\$ 31,339</b>	<b>\$ 169,997</b>	<b>\$ 166,629</b>	<b>\$ 34,707</b>
<b>GRAND TOTAL</b>	<b>\$ 142,163</b>	<b>\$ 474,675</b>	<b>\$ 464,749</b>	<b>\$ 152,089</b>

(See accompanying notes to financial statement)

**SPENCERPORT CENTRAL SCHOOL DISTRICT**

**EXTRACLASSROOM ACTIVITY FUNDS**

**NOTES TO FINANCIAL STATEMENT**

**June 30, 2023**

**(Note 1)      Accounting Policy:**

The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of the Spencerport 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 Spencerport 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. The balance in this account is fully covered by FDIC Insurance.

## **SPENCERPORT CENTRAL SCHOOL DISTRICT**

### **EXTRACLASSROOM ACTIVITY FUNDS**

#### **AUDITORS' FINDINGS AND EVALUATION**

We have examined the statement of cash receipts and disbursements of the Spencerport Central School District's Extraclassroom Activity Funds for the year ended June 30, 2023. 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.

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.

#### **General Findings:**

##### **Current Year Deficiencies in Internal Control –**

###### **Reconciliations**

Our review of cash receipts revealed that clubs are not consistently providing ticket reconciliations and reconciliations of the number of items/tickets sold to total cash collected.

We recommend every effort be made to complete a reconciliation of items sold to cash collected.



## **High School:**

### **Current Year Deficiencies in Internal Control –**

#### **Sales Tax**

During the course of our examination, we noted one instance in the High School Student Government in which sales tax was paid on the purchase of items intended for resale and then also remitted on the revenues collected upon reselling these items. In addition, our examination revealed one instance in the High School Snow Sports Club in which sales tax was not paid or remitted on the purchase of items that were not resold.

We recommend the District review the sales tax requirement with the Faculty Advisors to ensure it is being handled properly.

#### **Student Maintained Financial Records**

During the course of our examination, we noted that the Student Treasurer for the High School Varsity Club did not maintain a separate set of financial records for the organization.

We recommend every effort be made to ensure the Student Treasurer is maintaining a separate set of books.

#### **Meeting Minutes**

Our examination revealed one instance in the High School Student Government in which unsold items from fundraising activity were given away without the support of meeting minutes.

We recommend the Club make every effort to sell excess inventory, however, if it is not possible, the Club should document the decision's made in the meeting minutes.

## **Middle School:**

### **Current Year Deficiencies in Internal Control –**

#### **Change Funds**

Our examination revealed that the Middle School Cave Theatrical Club used cash receipts to establish a change fund.

We recommend change funds be established through the normal cash disbursement process and be redeposited at the end of the event or at year end.

**(Middle School) (Current Year Deficiencies in Internal Control) (Continued)**

**Profit and Loss Statements**

During the course of our examination, we noted instances in the Middle School Cave Theatrical Club and Middle School Service Club in which profit and loss statements were not prepared for fundraising activities.

We recommend profit and loss statements be prepared by the Student Treasurer with guidance from the Faculty Advisor, signed by both, and maintained for review.

**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 following clubs were financially inactive during the 2022-23 fiscal year:

<b>High School</b>		
Academy	Italian Club	Show Choir
Chorus	Newspaper/The Voice	Step
Fashion club	RC Club	Athletics-Bowling Co-Ed
First Priority		

We recommend the status of these clubs be reviewed. If future financial activity is not anticipated, they 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. The High School and Middle School Student Treasurers were involved in counting cash during the 2022-23 fiscal year.

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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  
November 21, 2023