

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

For Year Ended June 30, 2021



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

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

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, 2021 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 Spencerport Central School District for the year ended June 30, 2021, 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
November 19, 2021

SPENCERPORT CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For Year Ended June 30, 2021

<u>High School:</u>	<u>Cash Balance</u> <u>July 1, 2020</u>	<u>Receipts</u>	<u>Disburse-</u> <u>ments</u>	<u>Cash Balance</u> <u>June 30, 2021</u>
Class of 2018	\$ 2,730	\$ -	\$ -	\$ 2,730
Class of 2019	1,000	-	-	1,000
Class of 2020	65	-	-	65
Class of 2021	6,166	16,537	21,540	1,163
Class of 2022	2,203	6,772	4,248	4,727
Class of 2023	2,220	4,696	1,988	4,928
Class of 2024	-	2,155	-	2,155
Academy	29	-	-	29
Band Jazz	47,802	22,546	69,758	590
Best Buddies	51	-	-	51
Business Honor Society	475	35	70	440
Chorus	317	-	-	317
DECA	626	-	-	626
Fashion Club	105	-	-	105
First Priority	386	-	-	386
French Club	4,072	874	187	4,759
French Honor Society	1,657	430	1,783	304
Hispanic Honor Society	33	850	297	586
History Club	1,086	-	-	1,086
Italian Club	531	-	-	531
Math Madness	344	205	252	297
Model UN	107	-	-	107
Newspaper / The Voice	203	-	-	203
National Honor Society	188	-	-	188
Panorama HS Yearbook	4,875	4,181	3,635	5,421
RC Club	10	-	-	10
Robotics Club	4,000	5,380	8,660	720
Sales Tax	6,119	1,863	507	7,475
School Store	21,005	259	5,335	15,929
Service	1,001	6,300	6,300	1,001
Show Choir	509	-	-	509
Snowsports Co-Ed	420	-	-	420
Spanish	4,141	-	531	3,610
Subtotal	\$ 114,476	\$ 73,083	\$ 125,091	\$ 62,468

<u>High School (Continued):</u>	Cash Balance July 1, 2020	Receipts	Disburse- ments	Cash Balance June 30, 2021
Carryover Total	\$ 114,476	\$ 73,083	\$ 125,091	\$ 62,468
Stage	18,501	1,253	6,183	13,571
Step	304	-	-	304
Student Government	16,831	299	3,275	13,855
Athletics -				
Bowling Co-Ed	21	-	-	21
Volleyball - Girls	-	1,532	272	1,260
Varsity/Pride Club	10,107	2,750	8,951	3,906
Total High School	\$ 160,240	\$ 78,917	\$ 143,772	\$ 95,385
 <u>Middle School:</u>				
MS Cave Theatrical	\$ 9,486	\$ 988	\$ 1,843	\$ 8,631
Justo Lamas	142	-	-	142
Library	1,793	-	-	1,793
MS FACS	4,597	-	-	4,597
MS Boston Trip	7,325	-	-	7,325
Music Darien Trip	342	-	-	342
School Store	2,325	-	-	2,325
MS Service	1,198	-	163	1,035
Ski Club	326	-	-	326
Student Government	3,405	5,075	6,610	1,870
Yearbook	901	4,030	5,709	(778)
Total Middle School	\$ 31,840	\$ 10,093	\$ 14,325	\$ 27,608
 GRAND TOTAL	\$ 192,080	\$ 89,010	\$ 158,097	\$ 122,993

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(See accompanying notes to financial statement)

SPENCERPORT CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

NOTES TO FINANCIAL STATEMENT

June 30, 2021

(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.

(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.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, limited activities and student involvement in the Extraclassroom activities and transactions have resulted from the date of closure through the end of the 2020-21 fiscal year.

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, 2021. 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:

Prior Year Deficiency Pending Corrective Action –

Student Participation

During the course of our interviews, we noted the Student Treasurers for the High School Stage and the Middle School Cave Theatrical Club were not always involved in counting cash.

Current Year Deficiency in Internal Control –

Central Treasurer

While we understand the unexpected challenges and additional costs resulting from the COVID 19 pandemic, we noted the Central Treasurer wrote a check to himself without original supporting documentation or student approval for reimbursement of costs incurred for remote work and travel during the school's closure.

Middle School:

Current Year Deficiency in Internal Control –

Deficit Balance

As indicated on the statement of cash receipts and disbursements, the Middle School Yearbook had a deficit cash balance of \$778 on June 30, 2021.

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 2020-21 fiscal year:

	<u>High School</u>		<u>Middle School</u>
Class of 2018	DECA	Newspaper/The Voice	Justo Lamas
Class of 2019	Fashion Club	National Honor Society	Library
Class of 2020	First Priority	RC Club	MS FACS
Academy	History Club	Show Choir	MS Boston Trip
Best Buddies	Italian Club	Snowsports Co-Ed	Music Darien Trip
Chorus	Model UN	Step	School Store
		Bowling Co-Ed	Ski Club

Prior Year Recommendations:

We are pleased to report that the following prior year recommendations have been implemented to our satisfaction:

1. All active clubs appeared to have student involvement in maintaining a separate set of books.
2. We noted that the payments examined appeared to be paid in a timely manner.
3. We did not note any instances where a change fund was redeposited with proceeds from a fundraiser.

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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, Barz & Co. LLP

Rochester, New York
November 19, 2021