

EDMESTON CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND-CASH BASIS
Year Ended June 30, 2019

EDMESTON CENTRAL SCHOOL DISTRICT
TABLE OF CONTENTS
Year ended June 30, 2019

	<u>Page</u>
Auditor's Opinion	1-2
Statement of Assets and Fund Balance - Cash Basis	3
Statement of Cash Receipts and Disbursements - Cash Basis	4
Note to Financial Statements	5
Auditor's Findings and Evaluation	6

RAYMOND G. PREUSSER, CPA, P.C.

Certified Public Accountants

P.O. Box 538

Claverack, New York 12513

Telephone: (518) 851-6650

Fax: (518) 851-6675

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of the
Edmeston Central School District:

We have audited the accompanying financial statements of the Extraclassroom Activity Funds of the Edmeston Central School District as of June 30, 2019, which comprise the Statement of Assets and Fund Balance-Cash Basis and the related Statement of Cash Receipts and Disbursements-Cash Basis for the year then ended, and the related note to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements 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 statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity'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 statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and fund balance of the Extraclassroom Activity Funds of the Edmeston Central School District as of June 30, 2019, and its receipts and disbursements for the year then ended, in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are 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.

A handwritten signature in black ink that reads "Raymond G. Hesser CPA". The signature is written in a cursive style with a large, looped initial 'R'.

Claverack, New York
September 20, 2019

EDMESTON CENTRAL SCHOOL DISTRICT
STATEMENT OF ASSETS AND FUND BALANCE-CASH BASIS
June 30, 2019

ASSETS

Cash	<u>\$ 58,655.52</u>
------	---------------------

FUND BALANCE

Fund Balance	<u>\$ 58,655.52</u>
--------------	---------------------

See auditor's report. See note to financial statements.

EDMESTON CENTRAL SCHOOL DISTRICT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-CASH BASIS
Year ended June 30, 2019

Activities Per General Ledger	Balances 7/1/2018	Receipts	Disburse- ments	Balances 6/30/2019
Class of 2019	\$ 15,415.35	\$ 23,178.76	\$ 38,594.11	\$ -
Class of 2020	10,910.40	12,388.32	5,111.40	18,187.32
Class of 2021	3,584.63	10,924.58	3,845.81	10,663.40
Class of 2022	-	7,034.17	3,014.32	4,019.85
Band Fund	7,274.86	6,418.16	7,302.53	6,390.49
Honor Society	84.22	797.00	690.54	190.68
Interact	777.24	1,128.00	1,426.95	478.29
Music Association	4,193.78	6,582.25	6,689.28	4,086.75
S.A.D.D.	1,419.59	1,335.00	216.19	2,538.40
Robotics	6,063.14	13,119.51	17,787.50	1,395.15
Safety Patrol	628.20	7,463.75	7,748.25	343.70
Spanish Club	5,841.14	9,593.00	14,166.66	1,267.48
Student Council	2,955.38	134.70	41.53	3,048.55
Varsity Club	4,992.97	24,843.90	23,791.41	6,045.46
Totals	<u>\$ 64,140.90</u>	<u>\$ 124,941.10</u>	<u>\$ 130,426.48</u>	<u>\$ 58,655.52</u>

See auditor's report. See note to financial statements.

EDMESTON CENTRAL SCHOOL DISTRICT
NOTE TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

The Extraclassroom Activity Fund of the District represents funds of the students of the district. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Fund is independent of the district with respect to its financial transactions, and the designation of student management. Separate financial statements are issued for the fund. The District also reports the fund in its financial statements, within the Fiduciary Fund.

The books and records of the Edmeston Central School District's Extraclassroom Activity Funds are maintained on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis of accounting, assets are increased when cash is received and decreased when cash is disbursed.

See auditor's report.

EDMESTON CENTRAL SCHOOL DISTRICT
AUDITOR'S FINDINGS AND EVALUATION

Cash Receipts:

We found that generally, the internal accounting controls with regards to cash receipts were adequate to maintain proper accountability beyond the point of initial recording of the cash receipts.

During our audit, we noted the following:

1. Instances of no supporting documentation accompanying the cash receipts.
2. Numerous instances of funds being held longer than the recommended three days.

We recommend all deposits be properly recorded and that supporting documentation be provided for all deposits.

We also recommend that the deposits be made within three days of receipt.

Faculty Auditor:

Regulations state that a Faculty Auditor be appointed by the Board of Education to review the procedures and records of the Extraclassroom Activity Funds on a monthly basis. Finance Pamphlet 2 describes the qualifications of a Faculty Auditor and suggested duties to be performed.

We recommend that the Board appoint such a person to ascertain that the recordkeeping and procedures are being done properly in all areas.

See auditor's report.