

**CALEDONIA – MUMFORD
CENTRAL SCHOOL DISTRICT**

EXTRACLASSROOM ACTIVITY FUNDS

FINANCIAL REPORT

For Year Ended June 30, 2019

MENGEL METZGER BARR & CO. LLP

RAYMOND F. WAGER, CPA, P.C. DIVISION

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Caledonia-Mumford Central School District, New York

We have audited the accompanying statement of cash receipts and disbursements of the Extraclassroom Activity Funds of the Caledonia-Mumford Central School District for the year ended June 30, 2019 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 Caledonia-Mumford Central School District for the year ended June 30, 2019, 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.

Rochester, New York
November 3, 2019



CALEDONIA - MUMFORD CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For Year Ended June 30, 2019

	Cash Balance		Disburse-	Cash Balance
	<u>July 1, 2018</u>	<u>Receipts</u>	<u>ments</u>	<u>June 30, 2019</u>
Class of 2019	\$ 8,505	\$ 32,174	\$ 40,679	\$ -
Class of 2020	8,291	4,370	2,012	10,649
Class of 2021	5,240	2,663	2,077	5,826
Class of 2022	2,404	6,465	2,507	6,362
Class of 2023	1,524	3,192	2,402	2,314
Class of 2024	976	2,606	971	2,611
Class of 2025	-	174	-	174
Coffee Cart	-	2,704	2,256	448
Ainodelac Yearbook HS & MS	8,516	3,716	3,470	8,762
Ainodelac Yearbook Elementary	3,173	2,064	1,752	3,485
Elementary Bookstore	1,229	-	7	1,222
Fifth Grade Account	556	6,925	7,036	445
Football Club	3,465	13,457	11,408	5,514
High School Band	610	934	1,080	464
High School Student Council	508	1,907	461	1,954
High School Student Council Activity	2,337	11,532	12,158	1,711
Library Club (Elementary)	422	303	285	440
Middle School Play	6,412	1,417	1,605	6,224
Middle School Student Council	9,056	2,204	1,981	9,279
National Honor Society	362	935	1,134	163
National Junior Honor Society	1,005	1,264	1,291	978
Odyssey of the Mind	12,390	16	74	12,332
One Book	1,757	2,806	2,800	1,763
Raiders Baseball	15	15,655	15,668	2
Sales Tax Account	154	3,315	3,206	263
Show Choir/Musical	9,199	750	800	9,149
Ski Club	1,908	7,037	5,674	3,271
Softball Club	-	14,250	9,689	4,561
Spanish Club	2,028	16,929	17,376	1,581
Track	3,226	1,160	2,377	2,009
Varsity Club	5,541	1,738	3,233	4,046
Washington DC	5,532	19,442	17,749	7,225
TOTAL	<u>\$ 106,341</u>	<u>\$ 184,104</u>	<u>\$ 175,218</u>	<u>\$ 115,227</u>

(See accompanying notes to financial statement)

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

NOTES TO FINANCIAL STATEMENT

June 30, 2019

(Note 1) Accounting Policy:

The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of the Caledonia-Mumford 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 Caledonia-Mumford 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.

CALEDONIA-MUMFORD CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

AUDITORS' FINDINGS AND EVALUATION

We have examined the statement of cash receipts and disbursements of the Caledonia-Mumford Central School District's Extraclassroom Activity Funds for the year ended June 30, 2019. 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:

Meeting Minutes –

Our examination revealed two instances where gift certificates/donations were awarded and meeting minutes indicating approval by club members were not available.

For all payments of this nature, we recommend student meeting minutes indicate approval by a majority of club members.

Current Year Deficiency in Internal Control:

Related Parties –

During our examination of the Varsity Club we noted that the Faculty Advisor was related to the club's Student Treasurer.

We understand that during the 2019-20 fiscal year the District implemented procedures to have a second adult sign off on Club activity when related parties exist.

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:

Odyssey of the Mind –

The Odyssey of the Mind Club’s activity for the 2018-19 fiscal year was limited to one disbursement and one deposit. If the club returns to active status, we recommend that the District verify its compliance with policies regarding student participation.

Prior Year Recommendations:

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

1. Profit and loss statements were prepared for all fundraisers examined.
2. Cash advances examined were reconciled and excess monies were returned to the Central Treasurer.
3. All gift certificates examined were supported by signed acknowledgement of receipt
4. Students appear to be involved in the financial activity of the One Book Club.
5. Cash distributed to students for the Washington D.C. field trip were supported by a signed acknowledgement of receipt.

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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 3, 2019

