

GENEVA CITY 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
Geneva City 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 Geneva City 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 Geneva City School District for the year ended June 30, 2023, in accordance with the cash basis of accounting as described in Note 1.

Basis of Qualified

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
December 8, 2023

GENEVA CITY SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For Year Ended June 30, 2023

<u>HIGH SCHOOL:</u>	Cash Balance <u>July 1, 2022</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash Balance <u>June 30, 2023</u>
12:1:1 Store	\$ 1,563	\$ -	\$ -	\$ 1,563
Class of 2022	302	-	302	-
Class of 2023	3,189	12,394	15,572	11
Class of 2024	2,054	6,954	7,681	1,327
Class of 2025	100	1,831	848	1,083
Class of 2026	-	302	-	302
Class of 2027	-	100	-	100
AP Biology	334	-	334	-
Chamber Choir	347	307	124	530
Drama Club	17,032	18,291	15,212	20,111
Green Club	1,338	1,165	272	2,231
Hispanic Club	81	217	217	81
Lights in Geneva	225	-	225	-
Marching Band	270	-	-	270
Masterminds-Quiz bowl	222	4,721	4,943	-
Model UN	644	-	215	429
National Honor Society	20	-	-	20
Science Club	313	-	313	-
Seneca SAGA	774	2,692	598	2,868
Service Learning	778	-	778	-
Ski Club	3,516	4,513	2,682	5,347
Student Council	7,045	1,799	1,097	7,747
Tax Account	1,861	964	1,825	1,000
Varsity Club	381	-	-	381
Total High School	<u>\$ 42,389</u>	<u>\$ 56,250</u>	<u>\$ 53,238</u>	<u>\$ 45,401</u>

	Cash Balance			Cash Balance
<u>MIDDLE SCHOOL:</u>	<u>July 1, 2022</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2023</u>
Band Account	\$ 319	\$ -	\$ -	\$ 319
Café Ole	21	-	-	21
Chess Club	324	500	79	745
East Coast Products	2,348	-	278	2,070
Grade 8	3,691	-	209	3,482
International Club	1,445	-	-	1,445
Library Club	30	-	-	30
Music (Chorus)	17	-	-	17
National Junior Honor Society	1,345	554	405	1,494
Nature Club	(630)	6,052	2,273	3,149
Newspaper	800	-	209	591
PBIS/PAWS	5,175	1,862	1,050	5,987
Student Council	4,000	2,150	1,115	5,035
Tax Account	(8)	355	347	-
Theater Club	1,569	957	260	2,266
Yearbook	2,628	340	504	2,464
Total Middle School	<u>\$ 23,074</u>	<u>\$ 12,770</u>	<u>\$ 6,729</u>	<u>\$ 29,115</u>
 GRAND TOTAL	 <u><u>\$ 65,463</u></u>	 <u><u>\$ 69,020</u></u>	 <u><u>\$ 59,967</u></u>	 <u><u>\$ 74,516</u></u>

() Denotes red figure
(See accompanying notes to financial statement)

GENEVA CITY 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 Geneva City 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 Geneva City 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 two checking accounts. The balance in these accounts is fully covered by FDIC Insurance.

GENEVA CITY SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
AUDITORS' FINDINGS AND EVALUATION

We have examined the statement of cash receipts and disbursements of the Geneva City 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.

Prior Year Deficiencies Pending Corrective Action:

Student Maintained Records –

Our examination revealed that the Student Treasurer for the High School Drama Club does not appear to be maintaining a separate set of financial records for the organization. In addition, the Middle School clubs have limited student involvement in the bookkeeping.

In an effort to conform with New York State guidelines, we recommend Student Treasurers together with Faculty Advisors maintain a separate set of financial records for their organization. In addition, these records should be compared with those maintained by the Central Treasurer on a monthly basis to determine their accuracy.

Receipts –

During the course of our examination we noted one instance in the High School Student Council and one instance in the High School Class of 2024 in which deposits were not made in a timely manner.

In an effort to maintain accountability and control over receipts, we recommend every effort be made in the future to deposit cash collections on a more timely basis.

(Prior Year Deficiencies Pending Corrective Action) (Continued)

Sales Tax –

During the course of our examination, we noted sales tax was paid on the yearbook invoice for the Middle School Yearbook instead of being remitted on gross yearbook sales.

We recommend every effort continue to be made to comply with New York Sales Tax Law and issue a resale certificate to vendors when purchasing items intended for resale and to remit sales tax on the gross receipts from the sale.

Profit and Loss Statements –

Our examination revealed that a profit and loss statement was not prepared for any Middle School clubs during the 2022-23 fiscal year. In addition, there was one instance for the High School Student Council of a profit and loss statement not signed by the Student Treasurer.

We recommend the Student Treasurer together with the Faculty Advisor prepare a profit and loss statement for each fundraising event and that these statements be signed by the Student Treasurer prior to being submitted to the Central Treasurer.

Disbursements –

Our examination revealed one instance in the High School Masterminds-Quiz Bowl, one instance in the High School Seneca SAGA, one instance in the Middle School Chess Club, one instance in the Middle School Nature Club, one instance in the Middle School Student Council, and one instance in the Middle School PBIS/PAWS where the payment order was missing one or more of the three required signatures.

In an effort to improve internal accounting control, all payments should be supported with a payment order containing each of the three required authorizing signatures, and an original supporting invoice or receipt as a prerequisite to being processed for payment by the Central Treasurer.

Current Year Deficiency in Internal Control:

Donations/Gift Cards–

During the course of our examination, we noted one instance in the Middle School National Junior Honor Society and one instance in the Middle School PBIS/PAWS where donations were made, or gift cards were purchased, without meeting minutes indicating approval by club members. In addition, we noted one instance in the Middle School PBIS/PAWS where gift cards were purchased, however, there was no indication of who the gift cards were given to.

We recommend all payments of this nature be supported with club meeting minutes indicating approval by the majority of club members. In addition, we recommend that sign-offs are collected to indicate when a student receives a gift card in order to ensure gift cards were received.

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.

<u>High School</u>	<u>Middle School</u>
12:1:1 Store	Band Account
Marching Band	Café Ole
National Honor Society	International Club
Varsity Club	Library Club
	Music (Chorus)

We recommend the status of these clubs be reviewed. If no future financial activity is anticipated, they should be closed in accordance with the Board of Education policy.

Prior Year Recommendations:

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

1. No clubs had a deficit balance at year end.
2. Vending commissions are part of the Student Council funds.

*

*

*

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
December 8, 2023