

GENEVA CITY SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

FINANCIAL REPORT

For Year Ended June 30, 2024



BUSINESS
ADVISORS
AND CPAS

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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, 2024 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, 2024, 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 30, 2024

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

For Year Ended June 30, 2024

<u>HIGH SCHOOL:</u>	Cash Balance <u>July 1, 2023</u>	<u>Receipts</u>	<u>Disbursements</u>	Cash Balance <u>June 30, 2024</u>
Class of 2023	\$ 11	\$ -	\$ 11	\$ -
Class of 2024	1,327	12,104	13,230	201
Class of 2025	1,083	9,924	8,150	2,857
Class of 2026	302	1,495	601	1,196
Class of 2027	100	2,172	1,019	1,253
12:1:1 Store	1,563	-	594	969
Chamber Choir	530	-	255	275
Drama Club	20,111	17,499	25,523	12,087
Green Club	2,231	-	36	2,195
Hispanic Club	81	511	-	592
Marching Band	270	-	-	270
Masterminds-Quiz bowl	-	213	-	213
Model UN	429	53	482	-
National Honor Society	20	-	-	20
Seneca SAGA	2,868	-	242	2,626
Ski Club	5,347	5,485	5,646	5,186
Student Council	7,747	1,379	936	8,190
Tax Account	1,000	1,110	1,109	1,001
Varsity Club	381	-	-	381
Total High School	\$ 45,401	\$ 51,945	\$ 57,834	\$ 39,512

	Cash Balance			Cash Balance
<u>MIDDLE SCHOOL:</u>	<u>July 1, 2023</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2024</u>
Band Account	\$ 319	\$ -	\$ -	\$ 319
Café Ole	21	-	21	-
Chess Club	745	2,400	-	3,145
East Coast Products	2,070	-	36	2,034
Grade 8	3,482	3,680	5,013	2,149
International Club	1,445	-	1,445	-
Library Club	30	-	30	-
Music (Chorus)	17		17	-
National Junior Honor Society	1,494	-	396	1,098
Nature Club	3,149	7,984	9,450	1,683
Newspaper	591	-	-	591
PBIS/PAWS	5,987	584	654	5,917
Student Council	5,035	3,691	3,293	5,433
Tax Account	-	832	832	-
Theater Club	2,266	2,371	1,350	3,287
Yearbook	2,464	2,433	700	4,197
Total Middle School	\$ 29,115	\$ 23,975	\$ 23,237	\$ 29,853
 GRAND TOTAL	 \$ 74,516	 \$ 75,920	 \$ 81,071	 \$ 69,365

(See accompanying notes to financial statement)

GENEVA CITY SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
NOTES TO FINANCIAL STATEMENT

June 30, 2024

(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, 2024. 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 an effort to conform with the 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 Drama Club, one instance in the High School Class of 2024, and one instance in the High School Class of 2025 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.

Current Year Deficiencies in Internal Control:

Disbursements –

Our examination revealed that the High School Class of 2027 was missing a receipt from purchases for the student store. In addition, one payment order was missing from the High School Drama Club.

We recommend Student Treasurers and Faculty Advisors maintain all supporting documentation for club activity. In addition, these records should be stored appropriately such that they can be viewed by the Central Treasurer.

Student Maintained Records –

Our interview with the Middle School Central Treasurer revealed that there is no process in place to reconcile the student maintained records with the Central Treasurer's records.

In an effort to conform with New York State guidelines, we recommend Student Treasurers compare their records with those maintained by the Central Treasurer on a regular basis to determine their accuracy.

Profit and Loss Statements –

Our examination revealed that a profit and loss statement was not prepared for the High School Class of 2025 Chicken BBQ, the High School Drama Club Ludus Play, and the High School Hispanic Club Empanadillas.

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.

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 2023-24 fiscal year.

<u>High School</u>	<u>Middle School</u>
Marching Band	Band Account
National Honor Society	Newspaper Club
Varsity Club	

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. Middle School Clubs have student involvement in the bookkeeping.
2. Middle School Clubs have prepared Profit and Loss statements.
3. Profit and Loss statements are being signed by the appropriate individuals.
4. Donations and gift card purchases were supported with club minutes, and a sign off indicating who received the gift cards.
5. Payment orders reviewed had all three required signatures.

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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, Baw & Co. LLP

Rochester, New York
December 30, 2024