

**MONOMOY REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY ACCOUNTS**

Report on Applying Agreed-Upon Procedures Over
Compliance in Relation to the Student Activity Accounts
Guidelines for Massachusetts School Districts

Year Ended June 30, 2023



**MONOMOY REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY ACCOUNTS**

**REPORT ON APPLYING AGREED-UPON PROCEDURES
OVER COMPLIANCE IN RELATION TO THE
STUDENT ACTIVITY ACCOUNTS GUIDELINES
FOR MASSACHUSETTS SCHOOL DISTRICTS**

JUNE 30, 2023

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Monomoy Regional School Committee:

We performed the procedures specified in the *Agreed Upon Procedures and Audit Guidelines for Student Activity Funds* (the "Guidelines") issued by the Massachusetts Department of Elementary and Secondary Education ("ESE") to the student activity accounts of the Monomoy Regional School District for the fiscal year ended June 30, 2023. Each of these schools is responsible for compliance with the Guidelines.

The Monomoy Regional School District (the District) has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the District and ESE in evaluating management's assertion that they have complied with the ESE requirements applicable to its student activity accounts. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves the performance of specific procedures that the District has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on the findings based on the procedures performed.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Westford Academy High School compliance with the Guidelines. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement. This report is intended solely for the information and use of the School Committee, management, and the ESE and is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Roselli, Clark & Associates

Roselli, Clark and Associates
Certified Public Accountants
Woburn, Massachusetts
August 21, 2024

SCHEDULE I – FINDINGS AND OBSERVATIONS

FISCAL YEAR ENDED JUNE 30, 2023

Introduction

Massachusetts General Law (“MGL”) Chapter 66 of the Acts of 1996, which became effective on July 17, 1996, for fiscal years ending after June 30, 1997, has had a major impact on the method in which Student Activity Accounts are administered. Chapter 66 amended Section 47 of MGL Chapter 71. The law allows the use of certain administrative procedures previously not deemed allowable. Although the law is suggestive only, and not required, its adoption by the School Committee mandates the provisions of the law. These provisions include procedures with respect to (1) the establishment of an interest bearing bank account and a checking account through the involvement of the District Treasurer, (2) certain disbursement procedures, and (3) auditing and reporting requirements.

In 2015, the Massachusetts Department of Elementary and Secondary Education (the “ESE”) issued its *Agreed Upon Procedures and Audit Guidelines for Student Activity Funds* (the “Guidelines”). The Guidelines represent a valuable resource to assist school districts and their independent accountants in conducting agreed-upon procedures of the internal control system(s) in place that are used to administer student activity accounts. The Guidelines supplement the *Student Activity Accounts Guidelines for Massachusetts School Districts* issued in 1997 by the Massachusetts Association of School Business Officials, or MASBO.

Finding 1 – Training

A sound internal control system regularly assesses the authority and responsibility assigned to its employees, has a commitment to training these employees and assigns employees with roles and responsibilities within their competencies.

Currently, everyone involved appear to have the competence to manage Student Activity accounts, but to ensure this stays this way we recommend that the Schools initiate a written policy whereby all individuals responsible for the recording and reporting of financial transactions are adequately trained. In addition, it is also important to cross-train one or more individuals to process day-to-day transactions and generate financial reports for the Student Activity funds.

Finding 2 – Cash Receipt Processing

In connection with sample testing of cash receipts, it was noted that the Middle School had one instance of funds that had not been turned over to the Treasurer within one week.

Finding 3 – Inactive Accounts

School Committee policy calls for closing any account that does not have any activity for two years. We noted the following inactive accounts for the High School:

- Art Club
- Political Action Group
- Softball
- STAND

We noted the following inactive accounts for the Middle School:

- Empty Bowls Full Hearts
- Golf – Boys
- Grade 6
- Monomoy Cares
- Newspaper
- Shark Tank Café
- Writer’s Retreat

Finding 4 – Travel Policies

The School Committee maintains a policy for student travel related to student activities (i.e. field trips, out of state and abroad). However, for several field trips there did not appear to be any documentation or support showing that they were following their policy. Such documentation should include travel authorization forms and a statement of final accountability for the trip. The final accountability should include the dates of travel, amounts of any advance funding, complete listing of itemized expenditures with supporting invoices and receipts, the amount returned to the student activities fund if advances exceeded documented expenditures and the amount of any additional reimbursement required.