

OHIO AUDITOR OF STATE KEITH FABER



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MANAGEMENT LETTER

Fairport Harbor Exempted Village School District
Lake County
329 Vine Street
Fairport Harbor, Ohio 44077

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements defined in our Independent Auditor's Report of the Fairport Harbor Exempted Village School District, Lake County, Ohio (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements and have issued our report thereon dated February 3, 2026.

Government Auditing Standards require us to communicate deficiencies in internal control, as well as, report on compliance with certain provisions of laws, regulations, contracts and grant agreements that could directly and materially affect the determination of financial statement amounts. We have issued the required report dated February 3, 2026, for the year ended June 30, 2025.

We are also submitting the following comment for your consideration regarding the District's compliance with applicable laws, regulations, grant agreements, contract provisions, and internal control. The comment reflects a matter that does not require inclusion in the *Government Auditing Standards* report. Nevertheless, the comment represents a matter for which we believe improvements in compliance or internal controls or operational efficiencies might be achieved. Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing the recommendation. The comment reflects our continuing desire to assist your District but is only a result of audit procedures performed based on risk assessment procedures and not all deficiencies or weaknesses in controls may have been identified. If you have questions or concerns regarding the comment please contact your regional Auditor of State office.

Recommendation

Extracurricular Activities Cash Collections

District policy for Student Activities Fund Management, states in part the Superintendent designates an individual to serve as the activity account clerk under the jurisdiction of the Treasurer. The Treasurer is authorized to receive and disburse student funds in support of the entire school activity program. The Treasurer is directly responsible for the proper accounting of student activities funds.

Requests for purchases from student activities funds can be made only by faculty advisers, coaches or teachers assigned to an activity. These requests must be approved in writing by the school principal or other person designated by the Superintendent. Funds must be available before such purchases may be authorized. Expenses are subject to Board approval.

An accounting of all student funds is made monthly and a report of all accounts is made by the Treasurer to the Superintendent and the Board. The account system complies with the regulations of the Auditor of State. The system separates and verifies each transaction and shows the sources from which the revenue is received, the amount collected, source and the amount expended for each purpose.

The following error was noted for the year ended June 30, 2025:

- One of three extracurricular activities receipts tested noted prom ticket sale monies collected was not properly segregated from the concessions fund that was being sold at the same event. This caused a shortage of 80 dollars for the prom ticket sales based on the supporting documentation (sales collection tally sheet) submitted to the Treasurer.

The deficiencies noted did not provide proper accountability that cash collections are consistent with the policy for student activities funds management.

The District should make sure that ticket sales sheets are completed for every ticket sale event and that the ticket takers are performing reconciliations to verify actual tickets sold reconcile to cash collected prior to turning the cash over to the Treasurer. The person(s) who prepare the form should sign off as preparer.

We intend this report for the information and use of the Board of Education, Audit Committee, and Management.

KEITH FABER
Ohio Auditor of State



Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

February 3, 2026