

BROCKPORT CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
FINANCIAL REPORT

For Year Ended June 30, 2023



BUSINESS
ADVISORS
AND CPAS

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BUSINESS
ADVISORS
AND CPAS

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Brockport Central School District, New York

Qualified and Unmodified Opinions

We have audited the accompanying statement of cash receipts and disbursements of the Extracurricular Activity Funds of the Brockport Central 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 Extracurricular Activity Funds of Brockport Central School District for the year ended June 30, 2023, in accordance with the cash basis of accounting as described in Note 1.

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.

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 14, 2023

BROCKPORT CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For Year Ended June 30, 2023

<u>High School:</u>	<u>Cash Balance</u> <u>July 1, 2022</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash Balance</u> <u>June 30, 2023</u>
Class of 2020	\$ 1,753	\$ -	\$ -	\$ 1,753
Class of 2021	75	-	-	75
Class of 2022	1,307	-	1,307	-
Class of 2023	3,428	35,583	39,394	(383)
Class of 2024	16,597	5,955	4,434	18,118
Class of 2025	11,979	29,201	35,476	5,704
Class of 2026	-	2,450	-	2,450
Allies Club	28	19	-	47
Arista Yearbook	4,443	3,347	6,093	1,697
Art Club	1,907	75	302	1,680
BHS Band	3,304	11,901	9,291	5,914
Bookstore	1,295	15,050	10,051	6,294
BHS Choir	26	-	26	-
Drama Club	15,610	25,997	37,261	4,346
Environmental Club	1,350	-	-	1,350
E Sports Club	-	230	-	230
Fashion Design	795	-	795	-
Friends of Rachel	105	-	30	75
Honor Society	1,977	3,674	4,226	1,425
In Food	-	800	800	-
Key Club	2,733	4,962	2,639	5,056
Multimedia Club	1,057	-	82	975
Orchestra Club	4,275	897	-	5,172
Sales Tax	258	3,971	4,134	95
Science Olympiad	556	-	-	556
Student Council	10,370	6,786	3,921	13,235
Swim Club	1,976	2,057	2,254	1,779
Technology Club	1,485	6,449	2,917	5,017
Travel Club	117	-	-	117
Tri-Music	506	420	853	73
United Nations Club	68	727	795	-
Unified Sports Club	2,369	-	82	2,287
Total High School	\$ 91,749	\$ 160,551	\$ 167,163	\$ 85,137

<u>Middle School:</u>	<u>Cash Balance</u> <u>July 1, 2022</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Cash Balance</u> <u>June 30, 2023</u>
American History Club	\$ 49,419	\$ 151,846	\$ 149,148	\$ 52,117
Bookstore	2,203	253	388	2,068
Drama Club	11,012	7,986	6,179	12,819
Sales Tax	8	743	487	264
Student Council	13,162	12,275	8,432	17,005
Yearbook Club	237	2,074	179	2,132
Total Middle School	<u>\$ 76,041</u>	<u>\$ 175,177</u>	<u>\$ 164,813</u>	<u>\$ 86,405</u>
<u>Hill Elementary School:</u>				
Bookstore	\$ 1,939	\$ 1,112	\$ 990	\$ 2,061
Outdoor Ed-Combined	2,350	20,163	19,374	3,139
Sales Tax	526	948	1,474	-
Student Council	14,702	17,858	24,165	8,395
Total Hill Elementary School	<u>\$ 19,517</u>	<u>\$ 40,081</u>	<u>\$ 46,003</u>	<u>\$ 13,595</u>
GRAND TOTAL	<u><u>\$ 187,307</u></u>	<u><u>\$ 375,809</u></u>	<u><u>\$ 377,979</u></u>	<u><u>\$ 185,137</u></u>

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

BROCKPORT CENTRAL 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 Brockport Central 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 Brockport 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 three checking accounts. The balance in these accounts is fully covered by FDIC Insurance.

(Note 3) Subsequent Events:

Our examination disclosed disbursements pertaining to the 2022-23 fiscal year which were not transacted and recorded until the 2023-24 fiscal year as follows:

<u>School</u>	<u>Club</u>	<u>Amount</u>
Middle School	Yearbook Club	\$3,568

If this amount had been recorded prior to year-end, the effect would have been a reduction of the cash balance in the amount of \$3,568 which would have resulted in a deficit cash balance of \$1,436.

BROCKPORT CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

AUDITORS' FINDINGS AND EVALUATION

We have examined the statement of cash receipts and disbursements of the Brockport Central 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.

High School:

Current Year Deficiencies In Internal Control –

General Accountability

During the course of our examination, we noted the High School's extraclassroom activities documentation was unable to be located, and therefore, unavailable for our review. While we were able to review sufficient documentation through copies maintained by the Advisors, original documentation maintained by the Central treasurer remained unavailable.

We recommend the Administration review the above item and develop the necessary corrective action during the next fiscal year.

(High School) (Current Year Deficiencies in Internal Control) (Continued)

Deficit Balance

As indicated on the statement of cash receipts and disbursements, the Class of 2023 had a deficit balance at June 30, 2023.

We recommend the Administration review this activity during the next fiscal year to determine the reason for the excess of expense over revenue and to develop the corrective action necessary to eliminate this deficit.

Middle School:

Prior Year Deficiency Pending Corrective Action –

Profit and Loss Statements

Our examination revealed two instances in the Middle School Drama Club and American History Club in which the profit and loss statement was lacking one or both Faculty Advisor's and Student Treasurer's signature.

We recommend the Student Treasurer together with the Faculty Advisor, prepare profit and loss statements for all fund-raising events. In addition, these statements should include items that can be easily traced to the general ledger.

Current Year Deficiency Pending Corrective Action –

Deficit Balance

As indicated in Note 3 to the financial statements, the Yearbook Club has unpaid invoice from the 2022-23 fiscal year in the amount of \$3,568. If this invoice was paid during 2022-23, the Club would have had a deficit cash balance of \$1,436 at June 30, 2023.

We recommend Administration review this item and implement the necessary corrective action during this next fiscal year.

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 High School Class of 2020, Class of 2021, Environmental Club, Science Olympiad and Travel Club were financially inactive during the 2022-23 fiscal year.

We recommend the status of these clubs be reviewed. If no future financial transactions are 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. Profit and Loss statements were prepared for all High School fundraisers examined.
2. There were no gift card purchases in the Middle School during the year under examination.
3. Profit and loss statements in the Elementary School were prepared and agreed with the ledger.

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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, Barw & Co. LLP

Rochester, New York
December 14, 2023