

SAUGERTIES CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND-CASH BASIS
Year Ended June 30, 2020

SAUGERTIES CENTRAL SCHOOL DISTRICT
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RAYMOND G. PREUSSER, CPA, P.C.

Certified Public Accountants

P.O. Box 538

Claverack, New York 12513

Telephone: (518) 851-6650

Fax: (518) 851-6675

INDEPENDENT AUDITOR'S REPORT

To the Board of Education of the
Saugerties Central School District:

We have audited the accompanying financial statements of the Extraclassroom Activity Funds of the Saugerties Central School District as of June 30, 2020, which comprise the Statement of Assets and Fund Balance-Cash Basis and the related Statement of Cash Receipts and Disbursements-Cash Basis for the year then ended, and the related note to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1. This includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and fund balance of the Extraclassroom Activity Funds of the Saugerties Central School District as of June 30, 2020, and its receipts and disbursements for the year then ended, in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are 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.

Raymond G. Preusser, CPA, P.C.

Claverack, New York
September 30, 2020

SAUGERTIES CENTRAL SCHOOL DISTRICT
STATEMENT OF ASSETS AND FUND BALANCE-CASH BASIS
June 30, 2020

ASSETS

Cash	-Junior High School	\$ 18,167.11
	-High School	253,796.63
	-Elementary	43,825.64
		<u>\$ 315,789.38</u>

FUND BALANCE

Fund Balance	-Junior High School	\$ 18,167.11
	-High School	253,796.63
	-Elementary	43,825.64
		<u>\$ 315,789.38</u>

See auditor's report. See note to financial statements.

SAUGERTIES CENTRAL SCHOOL DISTRICT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-CASH BASIS
JUNIOR HIGH SCHOOL
Year ended June 30, 2020

Activities Per General Ledger	Balances 7/1/2019	Receipts	Disburse- ments	Balances 6/30/2020
Music Association	\$ 3,060.00	\$ -	\$ -	\$ 3,060.00
Builder's Club	180.30	8,464.00	8,642.16	2.14
Boys' Lacrosse	976.86	-	500.00	476.86
FCCLA	2,884.07	-	-	2,884.07
Science Club	303.03	-	-	303.03
Book Club	116.34	-	-	116.34
Cheerleading Club	1,338.35	-	1,169.12	169.23
Spanish Club	878.50	-	-	878.50
Student Government	10,163.70	7,512.44	7,404.94	10,271.20
Interest	5.94	5.74	5.94	5.74
Totals	<u>\$ 19,907.09</u>	<u>\$ 15,982.18</u>	<u>\$ 17,722.16</u>	<u>\$ 18,167.11</u>

See auditor's report. See note to financial statements.

SAUGERTIES CENTRAL SCHOOL DISTRICT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-CASH BASIS
HIGH SCHOOL
Year ended June 30, 2020

Activities Per General Ledger	Balances 7/1/2019	Receipts	Disburse- ments	Balances 6/30/2020
Art Club	\$ 474.16	\$ 2,550.13	\$ 1,283.48	\$ 1,740.81
Cheerleaders	8,761.69	7,189.56	10,012.40	5,938.85
Chorus	7,515.94	8,411.48	5,428.25	10,499.17
Class of 2019	17,773.70	-	17,773.70	-
Class of 2020	13,451.71	137,647.97	128,203.87	22,895.81
Class of 2021	4,017.77	11,008.20	11,760.02	3,265.95
Class of 2022	1,351.72	6,177.00	4,991.08	2,537.64
Class of 2023	-	3,929.17	1,977.00	1,952.17
Bowling Club	416.25	5,300.00	4,802.99	913.26
Sawyer Softball Club	4,832.06	4,780.00	1,660.00	7,952.06
Girls Soccer Club	1,180.29	3,043.00	-	4,223.29
French Club	15,803.03	4,899.31	2,147.46	18,554.88
Volleyball Club	1,074.58	3,724.00	118.78	4,679.80
Music Association	9,546.54	6,792.95	5,728.94	10,610.55
Nat'l Honor Society	9,036.48	6,668.38	7,032.66	8,672.20
Key Club	49,000.38	18,316.77	9,003.15	58,314.00
Senior Class Play	21,887.51	4,677.97	4,927.85	21,637.63
Ski Club	3,420.89	16,784.00	18,025.50	2,179.39
Spirit Newspaper	541.91	-	-	541.91
Student Government	6,827.95	23,613.47	26,832.35	3,609.07
Science Club	7,058.75	2,105.00	4,772.71	4,391.04
Sawyer Wrestling Club	1,866.54	5,000.00	2,713.21	4,153.33
Baseball Club	4,965.66	-	1,253.99	3,711.67
Girls Basketball Club	40.15	3,204.00	2,676.00	568.15
Football Club	2,123.77	1,645.00	775.00	2,993.77
History Club	-	-	-	-
Lip Sync Club	4,242.01	2,351.00	2,377.40	4,215.61
Sawyer Yearbook	17,239.39	18,748.39	21,470.64	14,517.14
Totals	<u>\$ 214,450.83</u>	<u>\$ 308,566.75</u>	<u>\$ 297,748.43</u>	<u>\$ 225,269.15</u>

See auditor's report. See note to financial statements.

SAUGERTIES CENTRAL SCHOOL DISTRICT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-CASH BASIS (CONTINUED)
HIGH SCHOOL
Year ended June 30, 2020

Activities Per General Ledger	Balances 7/1/2019	Receipts	Disburse- ments	Balances 6/30/2020
Totals brought forward	\$ 214,450.83	\$ 308,566.75	\$ 297,748.43	\$ 225,269.15
Boys Soccer Club	9.53	-	-	9.53
Boys Basketball Club	403.68	8,481.65	6,888.65	1,996.68
Girls Lacrosse Club	1,375.05	3,225.00	3,409.00	1,191.05
Spanish Club	699.72	1,085.25	1,154.40	630.57
Quiz Bowl	17.84	-	-	17.84
Wind Ensemble Club	1,571.48	-	-	1,571.48
Girls Track Club	2,309.90	2,242.00	1,865.87	2,686.03
Gay Straight Alliance Club	473.69	-	-	473.69
ECO Club	1,780.87	-	-	1,780.87
Business Entrepreneurs Club	290.03	-	210.00	80.03
Fishing Club	176.34	286.81	169.67	293.48
SHS Book Club	0.61	500.00	-	500.61
Technology Club	115.62	7,975.00	2,018.09	6,072.53
Math Club	1,096.98	-	795.00	301.98
Girls Tennis Club	-	-	-	-
Marching Band	11,026.08	-	180.00	10,846.08
RC Aircraft Club	61.27	-	61.27	-
Interest	69.02	75.03	69.02	75.03
Totals	\$ 235,928.54	\$ 332,437.49	\$ 314,569.40	\$ 253,796.63

See auditor's report. See note to financial statements.

SAUGERTIES CENTRAL SCHOOL DISTRICT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-CASH BASIS
ELEMENTARY SCHOOL
Year ended June 30, 2020

<u>Activities Per General Ledger</u>	<u>Balances 7/1/2019</u>	<u>Receipts</u>	<u>Disburse- ments</u>	<u>Balances 6/30/2020</u>
Riccardi	\$ 9,051.77	\$ 13,373.56	\$ 7,109.30	\$ 15,316.03
Morse	5,438.93	4,792.80	2,453.46	7,778.27
Cahill	5,485.56	758.14	2,438.28	3,805.42
Mount Marion	13,746.31	9,211.29	6,098.13	16,859.47
Interest	55.49	10.96	-	66.45
	<u>55.49</u>	<u>10.96</u>	<u>-</u>	<u>66.45</u>
Totals	<u>\$ 33,778.06</u>	<u>\$ 28,146.75</u>	<u>\$ 18,099.17</u>	<u>\$ 43,825.64</u>

See auditor's report. See note to financial statements.

SAUGERTIES CENTRAL SCHOOL DISTRICT
NOTE TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

The Extraclassroom Activity Fund of the District represents funds of the students of the district. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Fund is independent of the district with respect to its financial transactions, and the designation of student management. Separate financial statements are issued for the fund. The District also reports the fund in its financial statements, within the Fiduciary Fund.

The books and records of the Saugerties Central School District's Extraclassroom Activity Funds are maintained on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis of accounting, assets are increased when cash is received and decreased when cash is disbursed.

See auditor's report.

SAUGERTIES CENTRAL SCHOOL DISTRICT
AUDITOR'S FINDINGS AND EVALUATION

Cash Receipts:

We found that generally, the internal accounting controls with regards to cash receipts were adequate to maintain proper accountability beyond the point of initial recording of the cash receipts.

Cahill Elementary:

During our audit, we noted numerous instances where receipts lacked supporting documentation.

Junior High School:

During our audit we noted the following:

1. Numerous instances where deposits lacked supporting documentation. (Tally sheets, sales records, student lists).
2. One instance of funds being held and not deposited in a timely manner.

High School:

During our audit, we noted the following:

1. Some instances where deposits lacked supporting documentation. (Tally sheets, sales records, student lists)
2. Some instances where receipts were not deposited in a timely manner.

We recommend that all cash receipts be properly completed and all deposits made within three days. The cash receipts should then be properly filed and accessible with all applicable backup.

See auditor's report.

SAUGERTIES CENTRAL SCHOOL DISTRICT
AUDITOR'S FINDINGS AND EVALUATION (CONTINUED)

Fundraising Activities (Junior High and High School):

All fundraising activities must have the written approval of the Building Principal before they can be undertaken. When any such activity is completed, be it a dance involving admissions or an actual fundraiser, the organization must submit a Profit and Loss Statement to the Central Treasurer showing the complete results of the event. In addition, during a fundraiser, the organization should maintain "tally sheets" whereby those turning in funds will be duly recorded to backup all deposits.

Currently, we noted that Profit and Loss Statements were not being prepared for Junior High and High School fundraisers. We recommend that this process be instituted as required by all clubs and fundraisers.

Inactive Club: (Junior High and High School)

Junior High:

During our audit, we noted five clubs were financially inactive during the year.

High School:

During our audit, we noted eight clubs were financially inactive during the year.

We recommend that the inactive club be reviewed and if the club is no longer in existence, the remaining funds should be disposed of as prescribed by the Board of Education.

Sales Tax (All Schools):

The Extraclassroom Activity Funds of the District derive a substantial portion of its revenues from the sale of merchandise or services. Extraclassroom Activity Funds are not exempt from the provisions of New York State Sales Tax Law. Whenever an Activity becomes the vendor of services or property sold to private persons, such sales are subject to the collection and payment of sales taxes.

During our test of receipts, we noted no sales tax collections were made for fundraisers.

We suggest the School District develop procedures to ensure sales tax is properly collected and remitted to New York State by all clubs. We recommend that each faculty advisor be notified as to which activities are subject to sales tax.

See auditor's report.