

**JORDAN - ELBRIDGE CENTRAL SCHOOL DISTRICT**

**EXTRACLASSROOM ACTIVITY FUNDS**

**FINANCIAL REPORT**

**For Year Ended June 30, 2022**



**MENGEL METZGER BARR & CO. LLP**

Certified Public Accountants

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Education  
Jordan-Elbridge Central School District, New York

### **Report on the Audit of the Statement of Financial Statements**

#### ***Qualified and Unmodified Opinions***

We have audited the accompanying statement of cash receipts and disbursements of the Extraclassroom Activity Funds of the Jordan-Elbridge Central School District for the year ended June 30, 2022 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 Jordan-Elbridge Central School District for the year ended June 30, 2022, 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, Baw & Co. LLP*

Rochester, New York  
November 22, 2022

**JORDAN-ELBRIDGE CENTRAL SCHOOL DISTRICT**

**EXTRACLASSROOM ACTIVITY FUNDS**

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

**For Year Ended June 30, 2022**

	<b>Cash Balance</b>		<b>Disburse-</b>	<b>Cash Balance</b>
<b><u>High School:</u></b>	<b><u>July 01, 2021</u></b>	<b><u>Receipts</u></b>	<b><u>ments</u></b>	<b><u>June 30, 2022</u></b>
Class of 2020	\$ -	\$ 595	\$ 595	\$ -
Class of 2021	-	70	70	-
Class of 2022	633	19,613	20,101	145
Class of 2023	1,538	7,057	4,556	4,039
Class of 2024	1,043	6,658	3,690	4,011
Class of 2025	-	2,197	1,178	1,019
Art Club	876	-	-	876
Drama Club	4,484	5,622	5,775	4,331
Honor Society	103	-	-	103
JE Musical Players	12,312	18,619	14,560	16,371
Sales Tax	3,402	2,142	3,503	2,041
School Store	-	2,659	2,406	253
Ski Club	31	4,620	4,470	181
Student Council	3,816	600	950	3,466
Teen Library Council	1,286	-	-	1,286
Yearbook	1,535	1,542	-	3,077
<b>Total High School</b>	<b><u>\$ 31,059</u></b>	<b><u>\$ 71,994</u></b>	<b><u>\$ 61,854</u></b>	<b><u>\$ 41,199</u></b>
<b><u>Middle School:</u></b>				
Honor Society	\$ 40	\$ 790	\$ 673	\$ 157
Musical	8,268	2,795	2,287	8,776
Sales Tax	184	325	323	186
Student Council	2,967	1,751	2,128	2,590
Yearbook	4,137	2,554	4,247	2,444
<b>Total Middle School</b>	<b><u>\$ 15,596</u></b>	<b><u>\$ 8,215</u></b>	<b><u>\$ 9,658</u></b>	<b><u>\$ 14,153</u></b>
<b>GRAND TOTAL</b>	<b><u>\$ 46,655</u></b>	<b><u>\$ 80,209</u></b>	<b><u>\$ 71,512</u></b>	<b><u>\$ 55,352</u></b>

(See accompanying notes to financial statement)

**JORDAN-ELBRIDGE CENTRAL SCHOOL DISTRICT**

**EXTRACLASSROOM ACTIVITY FUNDS**

**NOTES TO FINANCIAL STATEMENT**

**June 30, 2022**

**(Note 1)      Accounting Policy:**

The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of the Jordan-Elbridge 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 Jordan- Elbridge 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 are comprised of two checking accounts. The balance in these accounts is fully covered by FDIC Insurance.

**JORDAN-ELBRIDGE CENTRAL SCHOOL DISTRICT**  
**EXTRACLASSROOM ACTIVITY FUNDS**  
**AUDITORS' FINDINGS AND EVALUATION**

We have examined the statement of cash receipts and disbursements of the Jordan-Elbridge Central School District's Extraclassroom Activity Funds for the year ended June 30, 2022. 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 Deficiency Pending Corrective Action:**

**Receipts –**

Our examination revealed one instance in the Middle School Musical Theatre Club in which a deposit was made to the bank account several days after the cash had been received.

In an effort to help safeguard cash and maintain accountability and control over receipts, we recommend every effort continue to be made to deposit cash collections on a more timely basis.

**Current Year Deficiencies in Internal Control:**

**Class of 2022 –**

During the course of our examination, we noted that cash receipts collected during weekend fundraisers are sometimes taken home by the Faculty Advisor before being submitted to the Central Treasurer for deposit.

In an effort to help safeguard cash and maintain accountability and control over cash receipts, we recommend all receipts be secured on District property before being submitted to the Central Treasurer for deposit.

**(Current Year Deficiencies in Internal Control) (Continued)**

**Sales Tax** –

During the course of our examination, we noted one instance in the Middle School Honor Society in which sales tax was not remitted to New York State for a taxable fundraiser.

When conducting taxable fundraisers sales tax should be collected and remitted to New York State. We recommend the District continue to monitor this situation in order to comply with New York State Sales Tax Law.

**Profit and Loss Statements** –

During the course of our examination, we noted one instance in High School Drama and one instance in Middle School Musical in which profit and loss statements were not signed by the Student Treasurer or the Faculty Advisor.

We recommend that each profit and loss statement be prepared and signed by the club's Student Treasurer and Faculty Advisor before 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 high school clubs were financially inactive during the 2021-22 fiscal year: Art Club, Honor Society and Teen Library Council.

We recommend the status of these clubs be reviewed. If future financial transactions are not 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. Cash advances examined were supported by original receipts.
2. No clubs were found to have held any raffles during the year examined.
3. The Middle School Yearbook Club is now keeping a separate set of books.

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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.

Rochester, New York  
November 22, 2022

*Mengel, Metzger, Barw & Co. LLP*