

CARMEL CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND-CASH BASIS
Year Ended June 30, 2023

CARMEL CENTRAL SCHOOL DISTRICT
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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the Extraclassroom Activity Funds of the Carmel Central School District as of June 30, 2023, 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balance of the Extraclassroom Activity Funds of the Carmel Central School District as of June 30, 2023, and its receipts and disbursements for the year then ended, in accordance with the basis of accounting as described in Note 1.

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.

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.

Auditor's Responsibility

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 opinion. 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 and *Government Auditing Standards* 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 basic financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the basic 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 basic 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 Carmel Central School 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 Carmel Central School 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 auditing findings, and certain internal control-related matters that we identified during the audit.

Raymond G. Preusser, CPA, P.C.

Claverack, New York
November 3, 2023

CARMEL CENTRAL SCHOOL DISTRICT
STATEMENT OF ASSETS AND FUND BALANCE-CASH BASIS
Year ended June 30, 2023

ASSETS

| | | |
|------|----------------|----------------------|
| Cash | -High School | \$ 141,479.94 |
| | -Middle School | <u>54,703.14</u> |
| | | <u>\$ 196,183.08</u> |

FUND BALANCE

| | | |
|--------------|----------------|----------------------|
| Fund Balance | -High School | \$ 141,479.94 |
| | -Middle School | <u>54,703.14</u> |
| | | <u>\$ 196,183.08</u> |

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

CARMEL CENTRAL SCHOOL DISTRICT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-CASH BASIS
MIDDLE SCHOOL
Year ended June 30, 2023

| Activities Per General Ledger | Balances 7/1/2022 | Receipts | Disburse- ments | Balances 6/30/2023 |
|----------------------------------|----------------------|---------------------|---------------------|-----------------------|
| Drama Club | \$ 7,502.12 | \$ 9,123.00 | \$ 6,666.52 | \$ 9,958.60 |
| Best Buddies | - | 2,835.00 | 986.88 | 1,848.12 |
| F.B.L.A. | 444.21 | 480.00 | 1,350.00 | (425.79) |
| G.O. | 21,184.48 | 27,679.50 | 23,338.00 | 25,525.98 |
| Jazz Band/Select Strings | 11,525.87 | 5,384.00 | 4,777.17 | 12,132.70 |
| Wrestling | 196.75 | 1,490.00 | 1,650.00 | 36.75 |
| Yearbook | 9,885.49 | 4,826.46 | 9,085.17 | 5,626.78 |
| Totals | <u>\$ 50,738.92</u> | <u>\$ 51,817.96</u> | <u>\$ 47,853.74</u> | <u>\$ 54,703.14</u> |

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

CARMEL CENTRAL SCHOOL DISTRICT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-CASH BASIS
HIGH SCHOOL
Year ended June 30, 2023

| Activities Per General Ledger | Balances 7/1/2022 | Receipts | Disburse- ments | Balances 6/30/2023 |
|----------------------------------|----------------------|----------------------|----------------------|-----------------------|
| Senior Class | \$ 7,797.43 | \$ 37,569.13 | \$ 41,681.25 | \$ 3,685.31 |
| Junior Class | 3,017.27 | 38,301.84 | 35,915.46 | 5,403.65 |
| Sophomore Class | 3,061.58 | 6,100.44 | 6,179.36 | 2,982.66 |
| Freshman Class | 2,829.44 | - | 2,829.44 | - |
| Art Club | 1,173.68 | - | 100.00 | 1,073.68 |
| F.B.L.A. | 1,181.27 | 1,350.00 | 624.75 | 1,906.52 |
| Foreign Exchange | 1,041.50 | - | - | 1,041.50 |
| French Club | 3,984.40 | - | 536.10 | 3,448.30 |
| GO Green | 1,165.46 | 850.80 | 200.50 | 1,815.76 |
| GSA | 1,032.52 | 798.73 | 922.70 | 908.55 |
| Human Rts Club | - | - | - | - |
| Interact | 2,275.45 | - | - | 2,275.45 |
| Italian American | 2,650.16 | - | 775.05 | 1,875.11 |
| Music | 44,686.23 | 72,953.95 | 66,347.75 | 51,292.43 |
| Nat'l Honor Soc. | 28,251.16 | 40,447.20 | 38,342.20 | 30,356.16 |
| Student Org. | 3,024.14 | 10,384.88 | 10,582.35 | 2,826.67 |
| Yearbook | 10,794.15 | 7,425.40 | 9,439.40 | 8,780.15 |
| Spanish Club | 66.08 | - | - | 66.08 |
| Dance Club | 2,834.04 | - | - | 2,834.04 |
| Drama Club | 10,352.32 | 4,570.58 | 5,766.96 | 9,155.94 |
| Mentor/PAL | 1,272.11 | 678.00 | 674.42 | 1,275.69 |
| Photo Club | - | - | - | - |
| Rock Club | 740.06 | 803.50 | - | 1,543.56 |
| Robotics | 649.75 | - | - | 649.75 |
| Science Club | 297.71 | 944.00 | 941.47 | 300.24 |
| Science Research | 3,728.00 | - | - | 3,728.00 |
| SSA | 22.53 | - | - | 22.53 |
| Steppers | - | - | - | - |
| Cancer Awareness Club | 283.78 | 535.00 | 248.72 | 570.06 |
| Supreme Caffeine | 1,478.37 | 114.00 | 1,531.75 | 60.62 |
| Best Buddies | 3,747.60 | 2,120.00 | 4,266.07 | 1,601.53 |
| Totals | <u>\$ 143,438.19</u> | <u>\$ 225,947.45</u> | <u>\$ 227,905.70</u> | <u>\$ 141,479.94</u> |

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

CARMEL 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 Carmel 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.

CARMEL 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.

During our audit, we noted the following:

High School:

1. Instances of deposit slips lacking supporting documentation. (Copies of Checks, Tally Sheets, etc.)
2. Instances of deposits being held longer than required three-day period.
3. One instance of deposit slip not attached to a receipt.

Middle School:

1. Some instances of large deposits indicating clubs are holding funds longer than the recommended three days.
2. Instances of deposits lacking supporting documentation. (Copies of checks, Tally sheets, etc.)
3. One instance where receipt was missing the signature of the Central Treasurer.
4. One instance where receipt was missing the signature of the Activity Treasurer .

We recommend that all cash receipts be properly completed and funds be forwarded to the Central Treasurer within three days of receipt of funds. The cash receipts should then be properly filed and accessible.

See auditor's report.

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

Inactive Clubs (High School):

During our audit, we noted several student activities that were financially inactive during the year and that funds remained for the Class of 2023.

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

See auditor's report.