

**NORTH COLONIE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
FINANCIAL REPORT
JUNE 30, 2024**

**NORTH COLONIE CENTRAL SCHOOL DISTRICT
EXTRACLASROOM ACTIVITY FUND**

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BUSINESS
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INDEPENDENT AUDITOR'S REPORT

To the President and Members of
the Board of Education of the
North Colonie Central School District

Qualified Opinion

We have audited the accompanying statement of cash receipts, disbursements and cash balances of the Extraclassroom Activity Fund of North Colonie Central School District, as of and for the year ended June 30, 2024, and the related note to the financial statement.

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statement referred to above presents fairly, in all material respects, the cash receipts, disbursements and cash balances of the Extraclassroom Activity Funds of North Colonie Central School District as of and for the year ended June 30, 2024, in accordance with the cash basis of accounting described in Note 1.

Basis for Qualified Opinion

Insufficient accounting controls are exercised over cash receipts at the point of collection to the time of submission to the Central Treasurer. Accordingly, we were unable to obtain sufficient audit evidence over such receipts beyond the amounts recorded.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Prior Period Financial Statement

The opening cash balances as of July 1, 2023, included in the statement of cash receipts, disbursements and cash balances - cash basis as of and for the year-ended June 30, 2024, were audited by Bonadio & Company, as part of their audit of the June 30, 2023 financial statement of the Extraclassroom Activity Fund, and whose report dated October 26, 2023 expressed an unqualified opinion on that statement.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting as described in Note 1; this includes 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 a financial statement that is free from material misstatement, whether due to fraud or error.

Basis of Accounting

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 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 statement.

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 statement, 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 statement.
- 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 statement.
- 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

Latham, NY
October 23, 2024

**NORTH COLONIE CENTRAL SCHOOL DISTRICT
EXTRACURRICULAR ACTIVITY FUND
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CASH BALANCES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

<u>Activities and Clubs</u>	<u>Balance July 1, 2023</u>	<u>Receipts</u>	<u>Dis- bursements</u>	<u>Balance June 30, 2024</u>
High School				
Class of:				
2019	\$ 39	\$ -	\$ -	\$ 39
2020	125	-	-	125
2021	66	-	-	66
2022	18	-	-	18
2023	7,747	253	7,796	204
2024	11,922	44,092	41,360	14,654
2025	1,146	37,282	30,148	8,280
2026	2,916	6,090	6,406	2,600
2027	-	3,992	1,004	2,988
7 Muses	125	7	-	132
Amnesty International	758	45	-	803
Asian Student Organization	184	10	-	194
Best Buddies (Bison Buddies)	3,239	191	129	3,301
Biology Club	839	50	-	889
Bison Arcade Machine	345	20	-	365
Bison Newspaper	354	21	7	368
Black Student Union	37	344	68	313
Budding Brains	7	-	-	7
Business Club (FBLA)	161	12,207	12,275	93
Clay Club	947	57	-	1,004
Coding Club	10	-	-	10
Color Guard	570	34	-	604
Connect	-	465	-	465
Cooking & Culture	62	695	181	576
Cosmetology	109	7	-	116
Cubing	51	3	-	54
Debate Club	528	206	354	380
DECA	-	1,739	1,362	377
Democrat Club	117	7	-	124
English Council	1,024	242	-	1,266
Environmental Awareness/Outdoor Club	1,305	2,771	2,089	1,987
Fantasy Problem Solvers	82	5	-	87
FCCLA	1,622	56	1,125	553
Figure Drawing Club	104	7	-	111
French Club	3,464	7,064	7,582	2,946
G.L.A.S.S. Club	323	19	-	342
German Club	10,174	22,910	24,235	8,849
Girls Take Charge	67	4	-	71
Health & Wellness	12	-	-	12
History Bowl	125	3,839	3,943	21
Include the Blue	500	338	187	651
Indian Student Organization	1,189	2,921	2,721	1,389
Interact/Disney	11	-	-	11
International Club	601	35	-	636
Key Club	2,495	3,650	2,927	3,218
Latin	1,124	3,963	2,406	2,681
Marching Band	8,341	1,976	389	9,928
Math Club	693	40	-	733
Model United Nations	1,395	8,187	7,993	1,589
Modern Dance	86	5	-	91
Music Club	993	59	-	1,052
Muslim Student Association	1,777	537	1,313	1,001
National Art Honor Society (Art Club)	3,603	10,384	10,878	3,109
Operation Smiles	436	27	-	463
Pakistani Student Association	-	907	655	252
Ping Pong	208	12	-	220
Pre Med	184	9	38	155
Puzzle League	190	12	-	202
Red Cross	149	9	-	158
Robotics	103	6	-	109
Russian Club	636	13,468	12,900	1,204
S.A.D.D.	53	3	-	56
Science Research and Olympiad	5,220	14,882	14,053	6,049
Shaker Computer Gaming	45	3	-	48
Shaker Forum	1,672	99	-	1,771
Shaker Light & Sound	163	9	-	172
Shaker Theatre	60,534	45,010	39,858	65,686
Shaker Yearbook	6,716	8,116	7,986	6,846
Ski Club	3,033	13,497	10,050	6,480
Society of Student Artists	1	-	-	1
Society Organized for Service (SOS)	397	272	302	367
Spanish	32,574	64,887	85,707	11,754
Student Government	32,298	27,621	23,769	36,150
Student Sign (School Sign)	232	14	-	246
TEDX Shaker	283	17	-	300
Teens for Refugees	-	36	-	36
TRI-M	11,225	1,141	6,238	6,128
UNICEF	2,102	126	-	2,228
We Quality	1,087	64	-	1,151
World Fusion	-	1,315	543	772
World of Difference	8,315	492	-	8,807
Writing Center	553	29	99	483
Total High School	<u>241,941</u>	<u>368,912</u>	<u>371,076</u>	<u>239,777</u>

See accompanying note to financial statement.

**NORTH COLONIE CENTRAL SCHOOL DISTRICT
EXTRACLASROOM ACTIVITY FUND
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CASH BALANCES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024**

<u>Activities and Clubs</u>	<u>Balance July 1, 2023</u>	<u>Receipts</u>	<u>Dis- bursements</u>	<u>Balance June 30, 2024</u>
Middle School				
8th Grade Field Trip	\$ 715	\$ 20,815	\$ 15,608	\$ 5,922
Animal Activism	-	25	25	-
Art & the Graphic Novel	61	-	-	61
Builders Club (Community Club)	376	1,074	693	757
Foreign Language	32	-	-	32
Future Cities	-	900	-	900
Great East	2,173	19,839	20,988	1,024
GSA	245	-	89	156
EAC	20	-	-	20
FCCLA	513	-	-	513
Performing Arts	21,402	22,064	20,910	22,556
School Store	4,451	-	39	4,412
Ski Club	1,121	4,316	4,350	1,087
Student Council	10,481	7,749	11,953	6,277
Yearbook	3,874	5,259	796	8,337
Total Middle School	<u>45,464</u>	<u>82,041</u>	<u>75,451</u>	<u>52,054</u>
Unallocated Interest	<u>5,837</u>	<u>-</u>	<u>5,837</u>	<u>-</u>
Grand Totals	<u>\$ 293,242</u>	<u>\$ 450,953</u>	<u>\$ 452,364</u>	<u>\$ 291,831</u>

The June 30, 2024 balance is as follows:

Checking Account High School	\$ 71,698
NYLAF High School	170,059
Checking Account Middle School	<u>50,074</u>
	<u>\$ 291,831</u>

**NORTH COLONIE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Extraclassroom Activity Fund of the North Colonie Central School District represent funds of the students of the District. The Board of Education exercises general oversight of this fund. 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 this fund. The District also reports this fund in its financial statements, within its general fund, in accordance with Government Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*.

The accompanying financial statement of the North Colonie Central School District's Extraclassroom Activity Fund has been prepared on the cash receipts and disbursements basis of accounting, which is a basis of accounting other than generally accepted accounting principles. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and non-cash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because the effects of receivables outstanding from fundraising activities and obligations for expenses unpaid at the date of the financial statement are not included in the financial statement.

2. INVESTMENTS

The District participates in NYLAF, a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, Section 119-0, whereby it holds a portion of the investments in cooperation with other participants.

Total investments of the NYLAF cooperative as of September 30, 2023, based on audited numbers are \$1,166,955,202, which consisted of \$200,000,000 in repurchase agreements, \$478,786,561, in collateralized bank deposits, \$1,584,832 in U.S. Government Agency Obligations and \$486,623,809 in U.S. Government Treasury Securities.



BUSINESS
ADVISORS
AND CPAS

October 23, 2024

To the President and Members of
Board of Education
North Colonie Central School District

Dear Board Members:

In planning and performing our audit of the financial statement of North Colonie Central School District's Extraclassroom Activity Fund (the Fund), as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we noted certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated October 23, 2024 on the financial statement of North Colonie Central School District's Extraclassroom Activity Fund. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control and other operational efficiencies. We will be pleased to discuss these comments in further detail at your convenience, perform any additional study of these matters, or assist you in implementing the recommendations. Our comments are summarized as follows:

1. ACCOUNTING CONTROLS OVER CASH RECEIPTS

Finding

The Extraclassroom Activity Clubs receive funds from a variety of sources, including donations, ticket sales, field trips, event admissions and product sales. However, controls over these receipts are limited. We noted 6 out of 60 receipts did not have any support present.

Recommendation

The District should review New York State Education Department (NYSED's) Finance Pamphlet 2 for all aspects of control over Extraclassroom Activity Funds. However, as it relates to cash receipts, the District should consider documenting donations in the minutes of each club, require fundraisers be supported by a ticket reconciliation and require clubs to prepare a profit and loss statement for each fundraising event held.

2. GENERAL

Finding

Through our disbursement testing, it was noted that there were multiple (25 out of 60 tested) disbursements made as reimbursements to various teachers/advisors.

Recommendation

With reimbursement disbursements to District employees, it is more difficult to evaluate the appropriateness of purchases for student activity purposes. It is recommended that prior approval be gathered for purchases that will be reimbursement payments, specifying that authorization is given for a specific teacher/advisor to spend up to a certain amount for a specific purpose. This could be done through a club's board minutes, which would then be attached to the request for payment. It also reduces the risk of the items being approved after the purchase and/or not being used for the club's activities.

3. CASH RECEIPTS

Finding

Through our receipt testing, it was noted that one out of 60 samples did not contain a signature from the student treasurer.

Recommendation

Per the NYSED pamphlet for Extraclassroom Activity Funds, a minimum of two individuals, the Student Activity Treasurer and Central Treasurer, shall be involved in the receipt of funds. We recommend that these approvals be documented for all receipts.

4. CLUB LEDGERS

Finding

Club ledgers are an important and required part of the accounting records for Extraclassroom activities. The purpose of these ledgers is for the Club to be responsible for recording and monitoring their activity and for providing a system of checks and balances against the Central Treasurer. We noted 30 instances out of 60 for cash receipts and 14 out of 60 for cash disbursements that was not recorded in the club ledger.

Recommendation

Per the NYSED pamphlet for Extraclassroom Activity Funds, the Student Activity Treasurer shall keep a ledger showing all receipts and disbursements and indicating a daily running balance, which shall be on a form prescribed by the Board of Education. The Faculty Advisor shall guide the Student Activity Treasurer in posting their account ledger from time to time shall check the balancing of their accounts and the completeness of their supporting evidence.

We would like to thank the management and staff of North Colonie Central School District for their cooperation during the course of the audit. There are many favorable areas within the District upon which we have not made comment. Please understand that the nature of this letter is to recommend improvements.

This communication is intended solely for the information and use of the management, audit committee and Board of Education of North Colonie Central School District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Mengel, Metzger, Barw & Co. LLP