

SPACKENKILL UNION FREE SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND-CASH BASIS

Year Ended June 30, 2007

SPACKENKILL UNION FREE SCHOOL DISTRICT

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To the President and Members of the
Board of Education of the
Spackenkill Union Free School District:

We have audited the accompanying statement of assets and fund balance - cash basis of the Extraclassroom Activity Fund of Spackenkill Union Free School District as of June 30, 2007, and the related statement of cash receipts and disbursements for the year ended. This financial statement is the responsibility of the School District's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on the cash basis of accounting, and are not intended to be presented in conformity with generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the assets, liabilities, and fund balance of the extraclassroom activity funds for the Spackenkill Union Free School District as of June 30, 2007 and its cash receipts and cash disbursements for the year then ended, on the basis of accounting described in Note 1.

Raymond J. Shussan
CPA PC

Claverack, New York
August 7, 2007

SPACKENKILL UNION FREE SCHOOL DISTRICT
STATEMENT OF ASSETS AND FUND BALANCE- CASH BASIS
June 30, 2007

ASSETS

Cash-Todd Middle School	\$	42,504.06
- High School		<u>45,115.40</u>
	\$	<u><u>87,619.46</u></u>

FUND BALANCE

Fund Balance- Todd Middle School	\$	42,504.06
- High School		<u>45,115.40</u>
	\$	<u><u>87,619.46</u></u>

See auditors' report. See note to financial statement.

SPACKENKILL UNION FREE SCHOOL DISTRICT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
HIGH SCHOOL
Year ended June 30, 2007

Activities Per General Ledger	Balances 7/1/2006	Receipts	Disburse- ments	Balances 6/30/2007
Art Club	\$ 137.23	\$ -	\$ -	\$ 137.23
Chess Club	67.92	-	-	67.92
Class of 2005	2,342.88	-	2,342.88	-
Class of 2006	363.19	700.00	-	1,063.19
Class of 2007	5,381.86	10,139.00	14,595.83	925.03
Class of 2008	2,734.94	12,163.26	10,013.19	4,885.01
Class of 2009	1,403.54	7,877.80	5,007.64	4,273.70
Class of 2010	-	5,219.04	3,554.00	1,665.04
Computer	584.39	206.35	100.00	690.74
Current Events Club	-	998.50	998.50	-
Drama	9,497.49	8,762.36	8,622.37	9,637.48
Environmental	710.70	558.41	361.12	907.99
ITS	39.37	-	-	39.37
Leo Club	981.59	964.67	1,396.13	550.13
Pegasus	518.58	-	-	518.58
Photography	339.69	-	50.00	289.69
National HS	112.72	1,153.10	1,017.85	247.97
Contrast	699.00	2,998.14	2,471.00	1,226.14
S.A.D.D.	498.88	1,362.19	1,534.69	326.38
Science Club	326.84	1,985.65	1,580.60	731.89
Ski Club	1,106.50	7,770.00	7,767.75	1,108.75
Student Government	4,028.81	10,377.48	9,340.51	5,065.78
YAR	1,306.78	876.92	131.74	2,051.96
Yearbook	7,943.93	23,068.25	22,897.60	8,114.58
School Store	-	131.83	131.83	-
Sales Tax	145.13	2,901.24	2,800.27	246.10
Step Team	167.22	-	-	167.22
F.A.H.I.R.	327.53	-	150.00	177.53
Totals	\$ 41,766.71	\$ 100,214.19	\$ 96,865.50	\$ 45,115.40

See auditors' report. See note to financial statements.

SPACKENKILL UNION FREE SCHOOL DISTRICT
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 TODD MIDDLE SCHOOL
 Year ended June 30, 2007

<u>Activities Per General Ledger</u>	<u>Balances 7/1/2006</u>	<u>Receipts</u>	<u>Disburse- ments</u>	<u>Balances 6/30/2007</u>
Grade 6	\$ -	\$ 400.00	\$ 351.00	\$ 49.00
Grade 7	-	29,948.89	8,858.25	21,090.64
Grade 8	-	20,917.58	19,442.88	1,474.70
Student Government	-	39,984.81	25,835.60	14,149.21
Yearbook	-	6,777.02	6,210.23	566.79
Ski Club	-	57.00	-	57.00
Bookbag	-	12,215.61	8,897.36	3,318.25
Drama	-	4,865.48	3,067.01	1,798.47
Totals	\$ -	\$ 115,166.39	\$ 72,662.33	\$ 42,504.06

See auditors' report. See note to financial statements.

SPACKENKILL UNION FREE SCHOOL DISTRICT

NOTE TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

The transactions of the Extraclassroom Activity Fund are considered part of the reporting entity of the Spackenkill Union Free School District. Respectfully, such transactions are included in the combined financial statements of the School District.

The books and records of the Spackenkill Union Free School District's Extraclassroom Activity Funds are maintained on the cash basis of accounting. Under this basis of accounting, revenues are recognized when cash is received and expenditures recognized when cash is disbursed.

The Extraclassroom Activity Funds are used to record the activity of all student-related activities within the District. These funds are under the control of an appointed Central Treasurer who maintains cash receipts and cash disbursement books. All receipts are collected by the Student Activity Treasurer and disbursements must be approved by the student management.

See auditors' report.

SPACKENKILL UNION FREE SCHOOL DISTRICT

AUDITORS' 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 of receipts, we noted the following:

High School:

One instance of a receipt lacking the signature of the Sponsor.

Todd Middle School:

1. Twenty-one instances of receipts lacking the signature of the Sponsor.
2. Seventeen instances of receipts lacking the signature of the Central Treasurer.

We recommend that all receipts be properly completed and all deposits made within three days of the cash receipt.

Cash Disbursements:

During the course of our audit of expenditures, we noted the following:

High School:

One instance of payment order not attached to the invoice.

Todd Middle School:

1. Eighteen instances where payment orders lacked all required signatures.

See auditors' report.

SPACKENKILL UNION FREE SCHOOL DISTRICT
AUDITORS' FINDINGS AND EVALUATION (CONTINUED)

Cash Disbursements: (Continued)

Todd Middle School: (Continued)

2. Nine instances where payment orders could not be located.

We recommend that all payment orders be properly completed and invoices attached prior to the Central Treasurer disbursing any funds. The payment orders should then be properly filed and accessible.

Organizations:

Student Extra-classroom Activities may only be formed for educational and school service programs and may only be formed by students in grades 6-12. An extraclassroom activity is one that consists of a number of students with a Student President, Student Treasurer and a Faculty Advisor. During our audit, we noted that some organizations do not meet the criteria for a bona fide student activity.

Todd Middle School:
(Grades 6, 7, 8 and Ski Club)

We recommend that each activity within the Extraclassroom Activity Fund be reviewed for compliance with the definition of a student organization.

Inactive Clubs:

During our audit, we noted several student activities were inactive during the year.

We recommend that the inactive clubs 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.

See auditors' report.

SPACKENKILL UNION FREE SCHOOL DISTRICT

AUDITORS' FINDINGS AND EVALUATION (CONTINUED)

Checking Accounts: (Middle School)

During our audit, we noted that checks continued to be signed by the Principal and not the appointed Central Treasurer.

We strongly recommend that the State Education Department guidelines for disbursements be adhered to. These guidelines provide that the Central Treasurer is to have custody of all funds. All disbursements of funds shall be by means of a prenumbered check prepared and signed by the Central Treasurer upon receipt of a payment order signed by the Activity Treasurer and Faculty Advisor. The Central Treasurer shall have no part in the approval of payments, but shall disburse funds only on the presentation of a properly signed payment order in duplicate providing, of course, that there are sufficient funds available in the account. The completed check will be returned to the Student Treasurer for proper posting and the check is then sent by the Central Treasurer to the named vendor.

See auditors' report.