

ARLINGTON CENTRAL
SCHOOL DISTRICT



EXTRACLASSROOM
ACTIVITY FUND

FINANCIAL STATEMENTS

For the Year Ended
June 30, 2019

**ARLINGTON CENTRAL SCHOOL DISTRICT
TABLE OF CONTENTS**

	<u>Page</u>
EXTRACLASSROOM ACTIVITY FUND	
Independent Auditor's Report	1-2
Statement of Assets and Fund Equity – Cash Basis	3
Statement of Revenues, Expenditures, and Changes in Fund Equity – Cash Basis	4
Notes to Financial Statements	5
Supplemental Schedule of Cash Receipts and Disbursements – Cash Basis	6-7

D'Arcangelo & Co., LLP
Certified Public Accountants & Consultants

200 E. Garden St., P.O. Box 4300, Rome, N.Y. 13442-4300
315-336-9220 Fax: 315-336-0836

Independent Auditor's Report

To the Board of Education of
Arlington Central School District

We have audited the accompanying financial statements of the Extraclassroom Activity Fund of Arlington Central School District, which comprise the statement of assets and fund equity - cash basis as of June 30, 2019, and the related statement of revenues, expenditures, and changes in fund equity - cash basis for the year then ended, and the related notes 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 as 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 the 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 District'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 District'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.

Basis for Qualified Opinion

Due to the fact that accounting controls generally are not exercised by students over cash receipts at the point of collection to the time of submission to the central treasurer, it was impracticable to extend our audit of such receipts beyond the amounts recorded.

Qualified Opinion

In our opinion, except for the effects of any adjustments which might have resulted had the cash collections referred to above been susceptible to satisfactory audit tests, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund equity of the Extraclassroom Activity Fund of Arlington Central School District at June 30, 2019, and its revenues, expenditures, and changes in fund equity for the year then ended in accordance with the basis of accounting 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule on pages 6 and 7 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects of any adjustments that might have been determined to be necessary had we been able to perform adequate auditing procedures in regard to the receipts referred to in the third preceding paragraph, the supplemental schedule is fairly stated in all material respects in relation to the financial statements as a whole.

D'Arcangelo + Co., LLP

October 9, 2019

Rome, New York

**ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
STATEMENT OF ASSETS AND FUND EQUITY - CASH BASIS
June 30, 2019**

Assets

Cash	\$ <u>264,360</u>
------	-------------------

<u>Total Assets</u>	<u>\$ <u>264,360</u></u>
---------------------	--------------------------

Fund Equity

Assigned	\$ <u>264,360</u>
----------	-------------------

<u>Total Fund Equity</u>	<u>\$ <u>264,360</u></u>
--------------------------	--------------------------

The Accompanying Notes are an Integral Part of These Financial Statements.

**ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND EQUITY - CASH BASIS
For the Year Ended June 30, 2019**

Revenues	
Charges for Services, Sale of Property, and Miscellaneous	\$ <u>620,356</u>
Total Revenues	<u>620,356</u>
Expenditures	
Instruction - Club Activities	<u>668,957</u>
Total Expenditures	<u>668,957</u>
(Deficit) Revenues over Expenditures	(48,601)
Fund Equity, Beginning of Year	<u>312,961</u>
Fund Equity, End of Year	\$ <u><u>264,360</u></u>

The Accompanying Notes are an Integral Part of These Financial Statements.

**ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2019**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

The transactions of the Extraclassroom Activity Fund are not considered part of the reporting entity of the Arlington Central School District. The related year-end cash balances are shown as part of the Arlington Central School District's Fiduciary Fund with the offset being shown as a liability.

The Board of Education makes rules and regulations for the conduct, operation, and maintenance of the Extraclassroom Activity Fund and for the safeguarding, accounting, and auditing of all monies received and derived therefrom.

Basis of Accounting

The books and records of the School District's Extraclassroom Activity Fund are maintained on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under this basis of accounting, revenues are recognized when cash is received, and expenditures are recognized when cash is disbursed.

Fund Equity Assigned

Fund equity includes amounts that are constrained by the Extraclassroom Activity Funds of Arlington Central School District's intent to be used for specific purposes of the respective activity, but are neither restricted nor committed.

Cash and Cash Equivalents

The Fund's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts.

2. CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. As of June 30, 2019, the School District's Extraclassroom total bank balances of \$302,551 were covered by FDIC insurance of \$250,000 and \$52,551 was uninsured and uncollateralized.

ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
SUPPLEMENTAL SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - CASH BASIS
For the Year Ended June 30, 2019

Activities	Balance at 07/01/18	Cash Receipts	Cash Disbursements	Balance at 06/30/19
<u>Junior-Senior High School</u>				
Admiral Players	\$ 31,416	\$ 76,753	\$ 80,214	\$ 27,955
Anchors	2,553	25,074	22,225	5,402
Arlingtonian	2,404		309	2,095
Art Club	103			103
Badminton Club	130			130
Blue Sky Acting	734			734
Class of 2018	9,695		9,695	
Class of 2019	673	80,346	73,624	7,395
Class of 2020	1,026	44,345	44,019	1,352
Class of 2021	402	880	60	1,222
Debate	676			676
Engineering	406	627	85	948
Enviro Awareness	2,053	14,349	14,233	2,169
Everness	752			752
FBLA	128			128
FCCLA Culinary	4,675	16,077	18,776	1,976
French	790			790
French Honor Society	1,130	645	679	1,096
Friends of Rachel	1,620	147	61	1,706
Interact	1,383	2,528	1,464	2,447
Italian	224	2,110	1,313	1,021
Italian Honor Society	1,569	614	857	1,326
Jazz Band	3,322	19,818	17,797	5,343
Link Crew	2,197		1,403	794
Marching Band	629	622	702	549
Marine Biology	184	12,394	4,250	8,328
Math Honor Society	160	896	896	160
Mixed Ensembles	3,256	11,587	9,176	5,667
Model U.N.	(204)	8,354	7,613	537
Mountain Bike	100			100
Music Honor Society	622		622	
National Honor Society	1,142	1,732	1,724	1,150
Nursery	2,850	825	665	3,010
Operation Donate	737			737
Photo Club	1,099			1,099
Ping Pong Club	129			129
Refugee Aid Club	6			6
SADD	1,108	500	1,101	507
SADD Grant	2,902	11,324	14,226	
Safety Patrol	393	1,257	190	1,460
Sales Tax	2,182	6,201	6,366	2,017
Save The Bees	30	27		57
Shequality		148	136	12
Spanish	29	1,710	1,673	66
Spanish Honor Society	250	2,027	2,103	174
Step Team	752	478	528	702
String Orchestra	2,608	3,110	243	5,475
Student Athletic Organization	81,409	189,143	205,949	64,603
Student Athletic Vend	536	588	1,043	81
Student Government	8,363	3,533	7,488	4,408
SG - Student Aid	6,132	1,387	2,937	4,582
Together	450		450	
Video Game Club	27			27
Total Junior-Senior High School	187,942	542,156	556,895	173,203

(Continued)

See Independent Auditor's Report.

**ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
SUPPLEMENTAL SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - CASH BASIS
For the Year Ended June 30, 2019**

(Continued)

Activities	Balance at 07/01/18	Cash Receipts	Cash Disbursements	Balance at 06/30/19
<u>LaGrange Middle School</u>				
Community Service Club	5	1,655	1,655	5
Drama	19,079	14,998	14,247	19,830
Home & Careers	112	4,075	3,742	445
Honor Society	270	109	127	252
School Store	259			259
Student Council	25,003	14,966	35,026	4,943
Yearbook	4,940	2,220	3,777	3,383
Total LaGrange Middle School	49,668	38,023	58,574	29,117
<u>Union Vale Middle School</u>				
APK	994		11	983
Band	289	4,355	4,437	207
Chorus	281	704	708	277
Drama Club	5,972	4,238	4,927	5,283
Library	1,906	3,719	3,827	1,798
Orchestra	639	1,025	1,163	501
School Musical	8,539	6,327	4,904	9,962
School Store	2,615		268	2,347
Student Council	35,694	18,853	28,388	26,159
Yearbook	18,422	956	4,855	14,523
Total Union Vale Middle School	75,351	40,177	53,488	62,040
Total	\$ 312,961	\$ 620,356	\$ 668,957	\$ 264,360

See Independent Auditor's Report.