

ARLINGTON CENTRAL
SCHOOL DISTRICT



EXTRACLASSROOM
ACTIVITY FUND

FINANCIAL STATEMENTS

For the Year Ended
June 30, 2022

**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

Qualified Opinion

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, 2022, 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.

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the assets, and fund equity of the Extraclassroom Activity Fund of Arlington Central School District as of June 30, 2022, and its revenues, expenditures, and changes in fund equity for the year then ended are in accordance with the cash basis of accounting as described in Note 1.

Basis for Qualified Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Extraclassroom Activity Fund of Arlington Central School 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. Insufficient accounting controls are exercised over cash receipts at 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 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.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Extraclassroom Activity Fund of Arlington Central School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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 generally accepted 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Extraclassroom Activity Fund of Arlington 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 Extraclassroom Activity Fund of Arlington 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 audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule on page 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 opinion paragraphs, the information is fairly stated in all material respects in relation to the financial statements as a whole.

D'Arcangelo & Co., LLP

October 12, 2022

Rome, New York

ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
STATEMENT OF ASSETS AND FUND EQUITY - CASH BASIS
June 30, 2022

Assets

Cash	\$ 282,985
------	------------

<u>Total Assets</u>	<u>\$ 282,985</u>
---------------------	-------------------

Fund Equity

Assigned	\$ 282,985
----------	------------

<u>Total Fund Equity</u>	<u>\$ 282,985</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, 2022**

Revenues	
Charges for Services, Sale of Property, and Miscellaneous	\$ <u>539,455</u>
Total Revenues	<u>539,455</u>
Expenditures	
Instruction - Club Activities	<u>503,834</u>
Total Expenditures	<u>503,834</u>
Excess Revenues over Expenditures	35,621
Fund Equity, Beginning of Year	<u>247,364</u>
Fund Equity, End of Year	\$ <u><u>282,985</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, 2022**

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 year-end cash balances and related activity are shown as part of the Arlington Central School District's Custodial Fund.

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 there from.

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 the 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, 2022, the School District's Extraclassroom total bank balances of \$292,626 were covered by FDIC insurance of \$250,000 and \$42,626 was uninsured and uncollateralized.

ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACURRICULAR ACTIVITY FUND
SUPPLEMENTAL SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - CASH BASIS
For the Year Ended June 30, 2022

Activities	Balance at 07/01/21	Cash Receipts	Cash Disbursements	Balance at 06/30/22
<u>Junior-Senior High School</u>				
AAPL	\$	\$ 100	\$	\$ 100
Admiral Players	32,557	84,410	75,682	41,285
Anchors Magazine		348		348
Anchors Yearbook	13,619	8,875	13,250	9,244
Arlingtonian	2,101		343	1,758
Art Club	103			103
Best Buddies		942	809	133
Class of 2021	2,817		2,817	
Class of 2022	4,686	72,985	73,936	3,735
Class of 2023	100	41,155	35,367	5,888
Class of 2024	431	37	19	449
Class of 2025		39		39
Debate	666		135	531
Engineering Club	1,053	386	466	973
Environmental Awareness	1,181	200	372	1,009
Everness (Creative Writing)	742		10	732
FBLA	56			56
FCCLA Culinary	184	13,002	11,798	1,388
French	785		32	753
French Honor Society	927	400	377	950
Friends of Rachel	1,403	663		2,066
Homegrown Club		485	411	74
HOSA		877	396	481
Interact	1,082	1,047	797	1,332
Italian	1,285	352	435	1,202
Italian Honor Society	1,285	1,956	2,728	513
Jazz Band	749	10,820	8,337	3,232
Link Crew	(262)	20		(242)
Marching Band	539	945	352	1,132
Marine Biology	9,771	16,144	16,391	9,524
Math Honor Society	416	768	768	416
Mixed Ensemble	679	660	1,036	303
Model U.N.	1,378	238	10	1,606
Mountain Bike	100			100
National Honor Society	1,005		337	668
Nursery	1,728	550	525	1,753
Operation Donate	420		224	196
Photo Club	1,089		10	1,079
Ping Pong Club	129			129
Refugee Aid Club	6			6
SADD - Student Aid	7,354	919	2,457	5,816
SADD	482		10	472
Safety Patrol	10			10
Sales Tax	1,956	2,429	2,523	1,862
Science Research Club	4,035		259	3,776
SHEquality	1			1
SNTAC		313		313
Spanish	34	93	65	62
Spanish Honor Society	433	857	645	645
Step Team	512		168	344
String Ensemble	1,538	1,100	1,110	1,528
Student Athletic Organization	61,323	212,529	198,695	75,157
Student Athletic Council	1,556	17,892	17,203	2,245
Student Government	3,344	2,739	3,342	2,741
Teaching Science Club		991	989	2
UNICEF		354		354
Unified Bowling		75		75
Video Game Club	27			27
Water Club		500		500
Total Junior-Senior High School	167,415	499,195	475,636	190,974

(Continued)

**ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
SUPPLEMENTAL SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - CASH BASIS
For the Year Ended June 30, 2022**

(Continued)

Activities	Balance at 07/01/21	Cash Receipts	Cash Disbursements	Balance at 06/30/22
<u>LaGrange Middle School</u>				
Community Service Club	5			5
Drama	18,142	11,750	8,784	21,108
Home & Careers	846		201	645
Honor Society	252	378	378	252
School Store	259			259
Student Council	6,089	8,723	3,529	11,283
Yearbook	1,803	1,870	686	2,987
Total LaGrange Middle School	27,396	22,721	13,578	36,539
<u>Union Vale Middle School</u>				
APK	1,005			1,005
Band	438	204	85	557
Chorus	193		45	148
Drama Club	5,813		655	5,158
Library	2,380	300		2,680
Orchestra	501	486	531	456
School Musical	6,152	5,609	4,949	6,812
School Store	2,394			2,394
Student Council	22,677	7,985	6,660	24,002
Yearbook	11,000	2,955	1,695	12,260
Total Union Vale Middle School	52,553	17,539	14,620	55,472
Total	\$ 247,364	\$ 539,455	\$ 503,834	\$ 282,985

See Independent Auditor's Report.