

ARLINGTON CENTRAL
SCHOOL DISTRICT



EXTRACURRICULAR
ACTIVITY FUND

FINANCIAL STATEMENTS

For the Year Ended
June 30, 2020

**ARLINGTON CENTRAL SCHOOL DISTRICT
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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, 2020, 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, 2020, 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 6, 2020

Rome, New York

**ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASROOM ACTIVITY FUND
STATEMENT OF ASSETS AND FUND EQUITY - CASH BASIS
June 30, 2020**

Assets

Cash	\$ 254,671
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<u>Total Assets</u>	<u>\$ 254,671</u>
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Fund Equity

Assigned	\$ 254,671
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<u>Total Fund Equity</u>	<u>\$ 254,671</u>
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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, 2020**

Revenues	
Charges for Services, Sale of Property, and Miscellaneous	\$ 351,414
Total Revenues	<u>351,414</u>
Expenditures	
Instruction - Club Activities	<u>361,103</u>
Total Expenditures	<u>361,103</u>
(Deficit) Revenues over Expenditures	(9,689)
Fund Equity, Beginning of Year	<u>264,360</u>
Fund Equity, End of Year	\$ <u>254,671</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, 2020**

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, 2020, the School District's Extraclassroom total bank balances of \$262,660 were covered by FDIC insurance of \$250,000 and \$12,660 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, 2020

Activities	Balance at 07/01/19	Cash Receipts	Cash Disbursements	Balance at 06/30/20
<u>Junior-Senior High School</u>				
Admiral Players	\$ 27,955	\$ 57,182	\$ 53,813	\$ 31,324
Anchors	5,402	3,664	1,811	7,255
Arlingtonian	2,095	200	314	1,981
Art Club	103			103
Badminton Club	130			130
Blue Sky Acting	734			734
Class of 2019	7,395		7,395	
Class of 2020	1,352	24,605	25,696	261
Class of 2021	1,222	3,785	780	4,227
Debate	676			676
Engineering	948	210	45	1,113
Enviro Awareness	2,169		978	1,191
Everness	752			752
FBLA	128		72	56
FCCLA Culinary	1,976	10,763	12,014	725
French	790			790
French Honor Society	1,096	889	1,180	805
Friends of Rachel	1,706			1,706
Interact	2,447	713	2,196	964
Italian	1,021	1,159	890	1,290
Italian Honor Society	1,326	1,095	1,001	1,420
Jazz Band	5,343	6,936	11,315	964
Link Crew	794		1,182	(388)
Marching Band	549	7,000		7,549
Marine Biology	8,328		7,447	881
Math Honor Society	160	1,024	1,024	160
Mixed Ensembles	5,667	5,777	8,402	3,042
Model U.N.	537	5,891	5,095	1,333
Mountain Bike	100			100
National Honor Society	1,150	2,050	2,050	1,150
Nursery	3,010	525	1,197	2,338
Operation Donate	737			737
Photo Club	1,099			1,099
Ping Pong Club	129			129
Refugee Aid Club	6			6
SADD	507	8,003	4,143	4,367
Safety Patrol	1,460	922	2,372	10
Sales Tax	2,017	4,255	4,418	1,854
Sales Tax Credits		32		32
Save The Bees	57	91		148
Shequality	12		12	
Spanish	66	65	131	
Spanish Honor Society	174	825	598	401
Step Team	702		28	674
String Orchestra	5,475			5,475
Student Athletic Organization	64,603	141,095	138,004	67,694
Student Athletic Vend	81	3,095	3,025	151
Student Government	4,408	4,274	2,492	6,190
SG - Student Aid	4,582	6,607	179	11,010
Video Game Club	27			27
Total Junior-Senior High School	173,203	302,732	301,299	174,636

(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, 2020

(Continued)

Activities	Balance at 07/01/19	Cash Receipts	Cash Disbursements	Balance at 06/30/20
<u>LaGrange Middle School</u>				
Community Service Club	5	50	50	5
Drama	19,830	2,088	3,881	18,037
Home & Careers	445	7,681	6,930	1,196
Honor Society	252			252
School Store	259			259
Student Council	4,943	11,305	10,590	5,658
Yearbook	3,383		1,637	1,746
Total LaGrange Middle School	<u>29,117</u>	<u>21,124</u>	<u>23,088</u>	<u>27,153</u>
<u>Union Vale Middle School</u>				
APK	983	22		1,005
Band	207	4,012	3,992	227
Chorus	277	323	407	193
Drama Club	5,283	4,376	3,846	5,813
Library	1,798	2,243	1,754	2,287
Orchestra	501	1,013	1,013	501
School Musical	9,962	889	4,598	6,253
School Store	2,347	47		2,394
Student Council	26,159	11,153	15,529	21,783
Yearbook	14,523	3,480	5,577	12,426
Total Union Vale Middle School	<u>62,040</u>	<u>27,558</u>	<u>36,716</u>	<u>52,882</u>
Total	<u>\$ 264,360</u>	<u>\$ 351,414</u>	<u>\$ 361,103</u>	<u>\$ 254,671</u>

See Independent Auditor's Report.