

ARLINGTON CENTRAL
SCHOOL DISTRICT



EXTRACLASROOM
ACTIVITY FUND

FINANCIAL STATEMENTS

For the Year Ended
June 30, 2018

**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, 2018, 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, 2018, 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, 2018

Rome, New York

**ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASROOM ACTIVITY FUND
STATEMENT OF ASSETS AND FUND EQUITY - CASH BASIS
June 30, 2018**

<u>Assets</u>	
Cash	\$ <u>312,961</u>
<u>Total Assets</u>	<u>\$ 312,961</u>
 <u>Fund Equity</u>	
Fund Equity	
Assigned	\$ <u>312,961</u>
<u>Total Fund Equity</u>	<u>\$ 312,961</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, 2018**

Revenues	
Charges for Services, Sale of Property, and Miscellaneous	\$ <u>663,012</u>
Total Revenues	<u>663,012</u>
Expenditures	
Instruction - Club Activities	<u>664,822</u>
Total Expenditures	<u>664,822</u>
(Deficit) Revenues over Expenditures	(1,810)
Fund Equity, Beginning of Year	<u>314,771</u>
Fund Equity, End of Year	\$ <u>312,961</u>

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

**ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASSTROOM ACTIVITY FUND
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2018**

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, 2018, the School District's Extraclassroom total bank balances of \$321,684 were covered by FDIC insurance of \$250,000 and \$71,684 was uninsured and uncollateralized.

ARLINGTON CENTRAL SCHOOL DISTRICT
EXTRACLASSTROOM ACTIVITY FUND
SUPPLEMENTAL SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - CASH BASIS
For the Year Ended June 30, 2018

Activities	Balance at 07/01/17	Cash Receipts	Cash Disbursements	Balance at 06/30/18
<u>Junior-Senior High School</u>				
Admiral Players	\$ 29,124	\$ 95,891	\$ 93,599	\$ 31,416
Anchors	18,849	23,601	39,897	2,553
Arlingtonian	2,678		274	2,404
Art Club	103			103
Athletic Student Organization	76,427	211,947	206,965	81,409
Awareness	892	15,760	14,599	2,053
Badminton Club		130		130
Blue Sky Acting	734			734
Bridges to Community	23		23	
Class of 2017	5,863		5,863	
Class of 2018	4,875	72,011	67,191	9,695
Class of 2019	1,903	36,647	37,877	673
Class of 2020	319	2,709	2,002	1,026
Class of 2021		2,730	2,328	402
Culinary Arts	238	13,519	9,082	4,675
Debate	676			676
Engineering		706	300	406
Everness	1,173	112	533	752
FBLA	583	125	580	128
French	790			790
French Honor Society	1,663	273	806	1,130
Friends of Rachel	1,275	625	280	1,620
Interact	1,444	2,942	3,003	1,383
Italian	485	653	914	224
Italian Honor Society	1,485	1,460	1,376	1,569
Jazz Band	4,079	20,681	21,438	3,322
Link Crew	2,367	875	1,045	2,197
Marching Band	547	215	133	629
Marine Biology	184			184
Math Honor Society	79	1,536	1,455	160
Mixed Ensembles	7,119	14,118	17,981	3,256
Model UN	292	5,297	5,793	(204)
Mountain Bike	100			100
Music Honor Society	459	200	37	622
National Honor Society	1,757	440	1,055	1,142
Nursery	3,235	575	960	2,850
Operation Donate	717	20		737
Photo Club	1,700	150	751	1,099
Ping Pong Club	129			129
Principal's Club		8,652	2,520	6,132
Refugee Aid Club	6			6
SADD	1,108			1,108
SADD Grant	15,328		12,426	2,902
Safety Patrol	48	345		393
Sales Tax	1,405	13,881	13,104	2,182
Save The Bees		242	212	30
Spanish	29			29
Spanish Honor Society	619	608	977	250
Step Team	357	740	345	752
String Orchestra	2,983		375	2,608
Student Athletic	90	2,450	2,004	536
Student Government	19,281	2,153	13,071	8,363
Together	90	360		450
Video Game Club	27			27
Total Arlington High School	215,737	555,379	583,174	187,942

(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, 2018**

(Continued)

Activities	Balance at 07/01/17	Cash Receipts	Cash Disbursements	Balance at 06/30/18
<u>LaGrange Middle School</u>				
Community Service Club	105	106	206	5
Drama	20,175	9,352	10,448	19,079
Home & Careers	300	3,912	4,100	112
Honor Society	270	333	333	270
School Store	222	40	3	259
Student Council	5,670	42,733	23,400	25,003
Yearbook	2,727	5,263	3,050	4,940
Total LaGrange Middle School	<u>29,469</u>	<u>61,739</u>	<u>41,540</u>	<u>49,668</u>
<u>Union Vale Middle School</u>				
APK	919	78	3	994
Band	293	4,828	4,832	289
Broadway Trip/ Chorus	321	1,312	1,352	281
Drama Club	5,830	3,955	3,813	5,972
Library	1,849	2,726	2,669	1,906
Orchestra	639	2,681	2,681	639
School Musical	7,382	6,282	5,125	8,539
School Store	2,475	156	16	2,615
Student Council	36,331	17,535	18,172	35,694
Yearbook	13,526	6,341	1,445	18,422
Total Union Vale Middle School	<u>69,565</u>	<u>45,894</u>	<u>40,108</u>	<u>75,351</u>
Total	<u>\$ 314,771</u>	<u>\$ 663,012</u>	<u>\$ 664,822</u>	<u>\$ 312,961</u>

See Independent Auditor's Report.