



Seneca Falls Central School District

Communicating Internal Control Related Matters Identified in an Audit

Extra Classroom Audit (For Year Ended June 30, 2021)

Current Year Deficiencies in Internal Control and Corrective Action Plan

Below is an explanation of items that have recently been addressed with extra classroom faculty advisors and student treasurers:

I. Meeting Minutes

Majority approval by each club's student members is recommended for all transactions. The audit showed the purchase of gift certificates, and a student scholarship were not supported with meeting minutes approved by the majority of club members.

District Resolution: Student club advisors have been notified in the Fall regarding the importance of meeting minutes for all transactions. Meeting minutes collected at the end of the year must show approval by a majority of each club's student members. When meetings are held electronically, meeting minutes will reflect that and print a copy of the email approval from a club advisor.

Anticipated Completion Date: June 30, 2022

II. Receipts

During the examination of receipts, one club had an instance where receipts were deposited several days after the cash was received.

District Resolution: Cash received is kept in the safe until a deposit can be made. The Activity Fund Central Treasurer has set up a schedule for depositing activity cash. The deposits are made at least weekly. The schedule has been communicated with each club.

Anticipated Completion Date: June 30, 2022

III. Fundraising

Formal reconciliations of items sold to total cash collected were unavailable for one student club during the audit review.

District Resolution: Communication and mini-trainings were conducted in January on how to properly prepare reconciliation of tickets. The Central Treasurer will be reviewing fundraising efforts that involve performances to assist with ticket reconciles as the fundraisers complete.

Anticipated Completion Date: January 31, 2021

IV. Profit and Loss

Two instances showed profit and loss statements not properly prepared for a Class and Drama Club fundraiser.

District Resolution: Communication to all club members will be made to remind them that a Profit and Loss Statement is required to be submitted for every fundraiser. The online Profit and Loss Statement document has been uploaded to a shared portal for easier access for advisors to the file (shared site: <https://tinyurl.com/rk3f9u6>). This reminder was sent to club advisors in January. The extra classroom treasurer will also continually reach out to advisors if fundraising paperwork is not properly completed.

Anticipated Completion Date: January 31, 2021

V. Inactive Clubs

The audit referenced several Extra Classroom clubs that were financially inactive. The list of inactive clubs was reviewed with the building administrators and central treasurer. While the clubs were financially inactive, all but one club are actively meeting so their accounts would remain open. The pandemic made it difficult to hold the various normal fundraisers from previous years. The building administrator did request the closure of one of the inactive clubs which will be completed by the Spring of 2022.

VI. Other

The District has recently appointed a new extra classroom treasurer due to the departure of the previous one. The new extra classroom treasurer was provided training on the financial system as well as district procedures. The District plans to remind faculty advisors in January as to their requirements as advisors in supporting student treasurers and ensuring all documentation is collected correctly. To assist faculty advisors, the District has developed a document with live hyperlinks to a shared google drive folder with the necessary required financial forms.

Google Document: <https://goo.gl/zDQW9W>

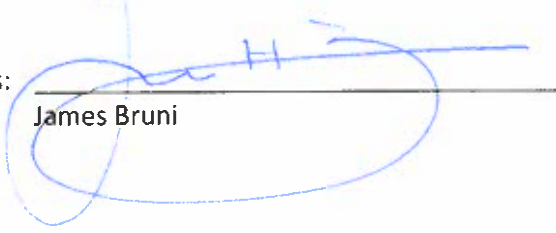
The live document contains the links to the following documents: Profit and Loss Statements, Resale Certificate ST-120, Extra Classroom Tax Sheet, and Statement of Admissions.

The District will also continue to review all inactive clubs annually to ensure they are still needed and shouldn't be closed.

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