

LaFayette Central School District

LaFayette Jr./Sr. High School
3122 Route 11 North
LaFayette, NY 13084

Four Schools, Three Buildings, Two Nations, One Goal: Excellence!

Big Picture School
3122 Route 11 North
LaFayette, NY 13084

C. Grant Grimshaw Elementary
5957 Route 20 West
LaFayette, NY 13084

Onondaga Nation School
Route 11A RR#1 Box 270
Nedrow, NY 13120

Response to Extraclassroom Activity Funds Auditors' Findings and Evaluation 12/20/2021

Our responses to Current Year Deficiencies in Internal Control are below:

Issue: Profit and Loss Statements

Cause/Condition:

Our examination revealed that profit and loss statements were not being prepared for fundraising activities at Grimshaw Elementary School. In addition, the profit and loss statements at the High School are not being signed by the Student Treasurer.

Recommendation:

We recommend the Student Treasurer together with the Faculty Advisor prepare and sign a profit and loss statement for each fund-raising activity and that these statements be submitted to the Central Treasurer to be retained for our review at year end. In addition, the items appearing on the profit and loss statements should be traceable to the general ledger maintained by the Central Treasurer.

Action:

For Grimshaw, we will require the Student Treasurer together with the Faculty Advisor prepare and sign a profit and loss statement for each fund-raising activity. The statements will be submitted to the Central Treasurer to be retained for review at year end by the auditor. For the High School, we will require the profit and loss statements be signed by the Student Treasurer.

Issue: Student Involvement

Cause/Condition:

Our examination revealed that there are multiple accounts at Onondaga Nation School and Grimshaw Elementary School that do not have an appointed Student Treasurer or Faculty Advisor. There are multiple accounts that appear to not meet the criteria to be an extraclassroom activity according to New York State Finance Pamphlet No. 2, The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds due to their lack of student participation and purpose.

Mission: *At LaFayette, we put students first. Our mission is to educate, honor, and develop students to have self-respect, a commitment to the community, and a passion for excellence.*

Vision: *Inspire, empower, and prepare all students to achieve excellence.*

Recommendation:

In an effort to comply with New York State guidelines, we recommend a Student Treasurer and Faculty advisor be appointed for all clubs. We also recommend the Administration review the following activities to determine if they meet the criteria as an extraclassroom activity account: ONS Bridges, ONS Box Tops, ONS Edu Share, ONS Incentive, ONS Yearbook, ONS Grade PreK-3 and ONS Grade 4-5 as well as Grimshaw Elementary Yearbook, PE, Kids/BoxTops, Play.

Action:

Administration will review all clubs to ensure they meet the criteria to be designated as an extraclassroom activity account. Those that do not will be discontinued. We will ensure all clubs have a Student Treasurer and Faculty Advisor appointed.

Issue: Central Treasurer – High School

Cause/Condition:

Our examination revealed that the Central Treasurer also acts as the Faculty Advisor for the Drama Club and the Student Council.

Recommendation:

Since this situation provides limited internal accounting control, we recommend the Administration consider appointing a different individual to be the Faculty Advisor of the Drama Club and Student Council.

Action:

Administration will ensure the Faculty Advisor is not the same person as the Central Treasurer for internal control purposes.

Issue: Financial Statement – High School

Cause/Condition:

On the year to date statement of cash receipts and disbursements prepared by the Central Treasurer, the ending balances total \$67,336, however, the bank reconciliation shows a balance of \$66,450. In addition, the Central Treasurer's Master List (Excel ledger) shows a balance of \$68,227, while the individual club ledgers total \$67,311. It appears there are several clubs in which the beginning balance did not agree with the ending balance from the prior year audit report. In addition, we noted a duplicate receipt of \$495 recorded on the Master List.

Recommendation:

We recommend the statement of cash receipts and disbursements be reconciled monthly to the bank statements, and any differences be investigated for proper disposition.

Action:

Administration will ensure a proper review is done monthly in the Business Office. Any problems can then be addressed with the Central Treasurer.

Mission: *At LaFayette, we put students first. Our mission is to educate, honor, and develop students to have self-respect, a commitment to the community, and a passion for excellence.*

Vision: *Inspire, empower, and prepare all students to achieve excellence.*

Issue: Disbursements – Onondaga Nation School

Cause/Condition:

Our disbursement examination revealed the following:

1. There was one instance in the Incentive Club and one instance in the Grade K-3 Club where the payment order did not have the Faculty Advisor, Central Treasurer, or Student Treasurer signatures present. In addition, there was no line on the ONS payment orders for the Student Treasurer signature.
2. There was one instance in the Grade K-3 Club where no payment order was attached to the supporting documentation.
3. There was one instance in the Grade K-3 Club where there was no original supporting documentation or receipt with the payment order.

Recommendation:

In an effort to improve internal accounting control, all payment orders should be signed by the Student Treasurer, Faculty Advisor and Chief Faculty Advisor and should be adequately supported by original vendor invoices or receipts.

Action:

We will have a training session to ensure there is a thorough understanding of our paperwork requirements. Additionally, the Treasurer will conduct periodic audits

Issue: Deficit Balances – Elementary School

Cause/Condition:

As indicated on the statements of cash receipts and disbursements the Yearbook and Kids accounts had deficit cash balances at June 30, 2021.

Recommendation:

We recommend the Administration review these activities during this next fiscal year to determine the reasons for the excess of expense o

Issue: Inactive Clubs – Elementary School (this not considered to be a deficiency)

Cause/Condition:

As indicated on the statement of cash receipts and disbursements, the following clubs were financially inactive during the 2020-21 fiscal year:

High School Onondaga Nation School
Teen Institute Box Tops for Education Grade 4-5
Bridges Grade 6-8
Elementary School Edu Share Incentive
Play Club

Recommendation:

Mission: *At LaFayette, we put students first. Our mission is to educate, honor, and develop students to have self-respect, a commitment to the community, and a passion for excellence.*

Vision: *Inspire, empower, and prepare all students to achieve excellence.*

We recommend the status of these clubs be reviewed. If future financial transactions are not anticipated, they should be closed in accordance with the Board of Education policy.

Action:

We will review the existing clubs for inactivity and close out those that will not be used again.

Mission: *At LaFayette, we put students first. Our mission is to educate, honor, and develop students to have self-respect, a commitment to the community, and a passion for excellence.*

Vision: *Inspire, empower, and prepare all students to achieve excellence.*