



# NORTH ROSE - WOLCOTT CENTRAL SCHOOL DISTRICT

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**TO:** Michael L. Pullen, Superintendent of Schools  
**DATE:** 1/7/21  
**FROM:** Robert D. Magin, Assistant Superintendent for Business and Operations  
**RE:** Revised CAP for Extraclassroom Audit for the Year Ending June 30, 2020

When we submitted our Corrective Action Plan for Extraclassroom Audit, the state requested that we submit a revised plan that includes dates of completion. This plan is the same as what was submitted before. I have only added dates of completion. The Board of Education should approve this revised plan at the February 9, 2021 meeting.

## High School

- **Prior Year Deficiency Pending Corrective Action-**

### **Deficit Balances**

1. As indicated on the statement of cash receipts and disbursement, the AV Club had deficit cash balance of \$46 at June 30, 2020.
2. The Class of 2023 had a deficit cash balance of \$710 at June 30, 2020, however, as indicated in Note 3 if the unrecorded receipts and disbursements were accrued at year end the cash balance would total \$440 at June 30, 2020.

We recommend the Administration review these activities during this next fiscal year to determine the reasons for the excess of expense over revenue and to develop and corrective action deemed necessary.

The AV Club had a negative balance at the end of the previous year. The plan was for the club to do fundraising in order to offset that negative balance. COVID-19 has stopped that from happening. The club will plan to begin fund raising when it is safe to do so.

### **Receipts**

Our examination of receipts revealed one instance in the Varsity Club in which receipts were turned over to the Central Treasurer for deposit several days after the cash was received.

In an effort to maintain accountability and control over receipts, we recommend every effort continue to be made to deposit cash collections on a more timely basis.

Before March 31, 2021, advisors will be reminded by the Central Treasurer and/or Principal of the need to make deposits in a timely manner.

- **Current Year Deficiencies in Internal Control-**

### **Recording Transactions**

During our examination we noted the following regarding recording transactions:

1. In order to avoid untimely deposits, the Central Treasurer collects money from the safe and sometimes deposits it without supporting documentation from the respective club. Since there's no documentation with these deposits, they are recorded as an "unidentified deposit" in the Activity Account. Once documentation is received, the deposits are transferred to the proper club account. As a result, the club cash balances do not always accurately reflect the most current balance.
2. The Varsity Club ending balance on the general ledger is \$4,558, however the ending balance on the Statement of Cash Receipts and Disbursements is \$3,476. In addition, the Yearbook Club ending balance on the general ledger is \$3,989, however, the ending balance on the Statement of Cash Receipts and Disbursements is \$5,071. The difference between the amount recorded on the general ledger compared to the Statement of Cash Receipts and Disbursements is \$1,082 for both clubs.

We recommend the Administration review these items during this next fiscal year and implement the appropriate corrective action.

Before March 31, 2021, the Assistant Superintendent for Business and Operations will meet with the Principal and Central Treasurer to agree on a method to avoid "unidentified deposits".

Before March 31, 2021, the Assistant Superintendent for Business and Operations will meet with the Principal and Central Treasurer to address the discrepancy between the Statements of Cash Receipts and Disbursements and the ledgers.

## **Middle School**

- **Prior Year Deficiency Pending Corrective Action-**

### **Profit & Loss Statements**

Our examination revealed on instance in the National Junior Honor Society and two instance in the Student Council where the profit and loss statements did not include he required signatures.

We recommend the Student Treasurer together with the Faculty Advisor prepare and sign profit and loss statements at the conclusion of each fund-raising event.

Before March 31, 2021, advisors will be reminded by the Central Treasurer and/or Principal of the need for profit and loss statements to have the required signatures.

- **Current Year Deficiency in Internal Control-**

### **Honor's Trip**

During our discussion with the Honor's Trip Faculty Advisor, we were informed that the club is not preparing profit and loss statements.

In an effort to conform to New York State Guidelines and to promote student involvement, we recommend the Student Treasurer, with the help of the Faculty Advisor, prepare a profit and loss statement at the conclusion of each fundraiser.

By March 31, 2021, the Principal and/or Central Treasurer will ensure that the club advisors are properly trained in completing profit and loss statements at the conclusion of each fundraiser.

**Other Item:**

- The following item is not considered to be a deficiency in internal control, however, we consider it another item which we would like to communicate to you as follows:

**Inactive Clubs-**

As indicated on the statement of cash receipts and disbursements, the following clubs were financially inactive during the 2019-2020 fiscal year:

**High School**

Band Fund

Dramatic Productions

NHS

Ski Club

**Middle School**

AV Club

Foreign Language

Health Club

LTD Charitable Club

Wrestling Club

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

Last year, the Middle School Principal recommended that the five middle school clubs identified above be closed and that the funds in those accounts be contributed to Student Council. This never happened. The Assistant Superintendent for Business and Operations will work with the Principal and Central Treasurer to ensure that this occurs by the end of January 2021.