



**STATEMENT OF CASH RECEIPTS AND
DISBURSEMENTS OF THE
EXTRACLASSROOM ACTIVITY FUNDS**

JUNE 30, 2017



INDEPENDENT AUDITOR'S REPORT

Board of Education
Solvay Union Free School District
Solvay, New York

Report on the Financial Statements

We have audited the accompanying statement of cash receipts and disbursements of the Extraclassroom Activity Funds of the Solvay Union Free School District for the year ended June 30, 2017, and the related note to the financial statements.

Management's Responsibility for the Financial Statements

Solvay Union Free School District's 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 error or fraud.

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 entity'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 entity'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 qualified audit opinion.

Basis for Qualified Opinion

Insufficient accounting controls are exercised over cash receipts at the point of collection to the time of submission to the central treasurer. Accordingly, it was impracticable to extend our audit of such receipts beyond the amounts recorded.

Qualified Opinion

In our opinion, except for possible effects of the matter described in the Basis per Qualified Opinion paragraph, the financial statement referred to in the first paragraph presents fairly, in all material respects, the cash receipts and disbursements of the Extraclassroom Activity Funds of the Solvay Union Free School District for the year ended June 30, 2017, on 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 receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

A handwritten signature in blue ink that reads "Eric St Amour CPAs".

Syracuse, New York
September 18, 2017

SOLVAY UNION FREE SCHOOL DISTRICT

Statement of Cash Receipts and Disbursements of the Extraclassroom Activity Funds

Year ended June 30, 2017

Activities	Cash Balance July 1, 2016	Receipts	Disbursements	Cash Balance June 30, 2017
Art Club	\$ 67	\$ 150	\$ 117	\$ 100
Business Club	1,409	6,728	6,998	1,139
Character Education	278	-	-	278
Class of 2017	6,221	14,826	21,047	-
Class of 2018	1,692	10,212	6,754	5,150
Class of 2019	1,404	3,542	3,026	1,920
Class of 2020	-	3,666	1,918	1,748
Science Club	80	-	-	80
Science Olympiad	847	-	-	847
Gay-Straight Alliance	506	370	483	393
Italian Club	287	270	380	177
Key Club	33	-	-	33
National Hispanic Honor Society	360	-	-	360
National Honor Society	2	-	-	2
Ski Club	211	-	-	211
Solvay Middle School Activity	14,652	28,769	30,947	12,474
Band Club	534	6,569	6,692	411
Spanish Club	460	-	424	36
Choral Club	853	3,207	3,102	958
Student Forum	1,973	4,102	4,393	1,682
Student Tutor Mentor Club	3,212	-	231	2,981
Students Against Drunk Driving	458	-	-	458
Technology Club	271	-	-	271
United Nations Club	375	-	-	375
Variety Showcase	5,792	22,781	15,888	12,685
iStaff	-	668	428	240
Yearbook Club	8,339	9,594	8,945	8,988
	<u>\$ 50,316</u>	<u>\$ 115,454</u>	<u>\$ 111,773</u>	<u>\$ 53,997</u>

See Notes to Statement of Cash Receipts and Disbursements.

SOLVAY UNION FREE SCHOOL DISTRICT

Note to Statement of Cash Receipts and Disbursements

1. Significant Accounting Policies

Organization

The Student Extraclassroom Activity Funds of the Solvay Union Free School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. Therefore, these funds are included in the Agency Fund of the School District's basic financial statements. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and designation of student management.

New York State Education Law (Title 8. Education Department, Chapter II. Regulations of the Commissioner, Subchapter L. Finance, Part 172) define the activity funds as an organization within a school district whose activities are conducted by students and whose financial support is raised other than by taxation or through charges of the board of education shall be known as an extraclassroom activity and the moneys received by it as Extraclassroom Activity Funds.

Basis of Accounting

The accounts of the Extraclassroom Activity Funds of the Solvay Union Free School District are maintained on the cash basis of accounting, and the statement of cash receipts and disbursements reflects only cash received and disbursed. Therefore, receivables and payables, inventories, long-lived assets and accrued income and expenses, which would be recognized under generally accepted accounting principles, and which may be material in amount, are not recognized in the accompanying statement of cash receipts and disbursements.

2. Taxes

The Student Extraclassroom Activity Funds of the District represent an organization within the School District which is exempt from income taxes. Although the organization is exempt from income taxes, the Extraclassroom activities of the District are not included in the exemption granted to the District from New York State sales tax. As such, unless the activities are deemed not taxable, sales tax must be collected by the organization and remitted to the New York State Department of Taxation and Finance. The Extraclassroom activities are prohibited from using the District's sales tax exemption.