

**BOARD OF COOPERATIVE EDUCATIONAL
SERVICES FIRST SUPERVISORY DISTRICT OF
MONROE COUNTY, FAIRPORT, NEW YORK**

EXTRACLASSROOM ACTIVITY FUNDS

FINANCIAL REPORT

For Year Ended June 30, 2024



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BUSINESS
ADVISORS
AND CPAS

INDEPENDENT AUDITORS' REPORT

To the Board Members
Board of Cooperative Educational Services
First Supervisory District of Monroe County
Fairport, New York, New York

Qualified and Unmodified Opinions

We have audited the accompanying statement of cash receipts and disbursements of the Extraclassroom Activity Funds of the Board of Cooperative Educational Services First Supervisory District of Monroe County, Fairport, New York (the BOCES) for the year ended June 30, 2024 and the related notes to the financial statement.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the basis for 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 BOCES for the year ended June 30, 2024, in accordance with the cash basis of accounting as described in Note 1.

Basis for Qualified Opinion

Internal accounting controls are limited over the cash receipts from 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. This financial statement is 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.

Responsibility of Management for the Statement of Cash Receipts and Disbursements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note 1; and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 BOCES's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the BOCES's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Rochester, New York
October 2, 2024

Mengel, Metzger, Barw & Co. LLP

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
FIRST SUPERVISORY DISTRICT OF
MONROE COUNTY, FAIRPORT, NEW YORK**

EXTRACLASSROOM ACTIVITY FUNDS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For Year Ended June 30, 2024

	Cash Balance		Disburse-	Cash Balance
	<u>July 1, 2023</u>	<u>Receipts</u>	<u>ments</u>	<u>June 30, 2024</u>
Creekside Transition	\$ 1,891	\$ -	\$ 1,891	\$ -
Criminal Justice	1,471	-	1,471	-
Culinary Club	3,198	5,084	4,160	4,122
Early Childhood	381	-	381	-
Emergency Services	4,901	-	4,901	-
E-Start	246	1,403	1,308	341
Prof Health Careers	250	-	250	-
OCA Student Leadership	<u>1,005</u>	<u>3,582</u>	<u>4,169</u>	<u>418</u>
TOTAL	<u><u>\$ 13,343</u></u>	<u><u>\$ 10,069</u></u>	<u><u>\$ 18,531</u></u>	<u><u>\$ 4,881</u></u>

(See accompanying notes to financial statement)

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
FIRST SUPERVISORY DISTRICT OF
MONROE COUNTY, FAIRPORT, NEW YORK**

EXTRACLASSROOM ACTIVITY FUNDS

NOTES TO FINANCIAL STATEMENT

June 30, 2024

(Note 1) Accounting Policy:

The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of the Board of Cooperative Educational Services First Supervisory District of Monroe County, Fairport, New York (the BOCES) . Consequently, the cash balances are included in the financial statements of the BOCES as part of the Custodial Fund.

The accounts of the Extraclassroom Activity Funds of the BOCES are maintained on a cash basis, 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 financial statement.

(Note 2) Cash and Cash Equivalents:

Cash and cash equivalents is comprised of one checking account. The balance in this account is fully covered by FDIC Insurance.

**BOARD OF COOPERATIVE EDUCATIONAL SERVICES
FIRST SUPERVISORY DISTRICT OF
MONROE COUNTY, FAIRPORT, NEW YORK**

EXTRACLASSROOM ACTIVITY FUNDS

AUDITORS' FINDINGS AND EVALUATION

We have examined the statement of cash receipts and disbursements of the Board of Cooperative Educational Services First Supervisory District of Monroe County, Fairport, New York's Extraclassroom Activity Funds for the year ended June 30, 2024. As part of our examination, we made a study and evaluation of the system of internal accounting control to the extent we deemed necessary to render our opinion.

There are inherent limitations in considering the potential effectiveness of any system of internal accounting control. Human errors, mistakes of judgment and misunderstanding of instructions limit the effectiveness of any control system. In particular, cash being handled by numerous students and faculty advisors at various functions provides an atmosphere of limited control over those receipts.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the BOCES's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

Current Year Deficiencies in Internal Control:

Receipt Testing –

During the course of our examination, we noted six untimely deposits.

We recommend every effort be made to deposit cash receipts on a timely basis.

Profit and Loss Statements –

During the course of our examination, we noted two instances where the expenses on the fundraising financial analysis summary (profit and loss statement) do not match the amount recorded on the general ledger.

We recommend profit and loss statements be made to include all revenue and expense associated with the particular fundraiser.

Prior Year Recommendations:

We are pleased to report the following prior year recommendations have been implemented to our satisfaction:

1. All cash receipts tested were deposited intact.
2. All payments tested were supported with an invoice or signed payment order for transfer to reimburse General Fund.
3. Profit and loss statements tested had all required signatures.

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We wish to express our appreciation to all client personnel for the courtesies extended to us during the course of our examination.

Mengel, Metzger, Baw & Co. LLP

Rochester, New York
October 2, 2024