

**Putnam Valley Central School District,
New York**

Extraclassroom Activity Funds

Statement of Cash Receipts, Cash Disbursements
and Cash Balances

Year Ended June 30, 2016



Independent Auditors' Report

**The Board of Education of the
Putnam Valley Central School District, New York**

Report on the Financial Statements

We have audited the accompanying statement of cash receipts, cash disbursements and cash balances of the Extraclassroom Activity Funds of the Putnam Valley Central School District, New York, as of and for the year ended June 30, 2016, and the related note to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the basis of accounting described in Note 1; this includes determining that the 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 fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this financial statement 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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 statement.

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

Controls over cash receipts during the time period between when receipts are first received by student club members and when such receipts are given to School District personnel for initial entry in the accounting records are not sufficient to enable us to extend our audit procedures beyond the receipts recorded. Accordingly, we were unable to form an opinion with respect to the completeness of cash receipts.

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, cash disbursements and cash balances of the Extraclassroom Activity Funds of the Putnam Valley Central School District, New York as of June 30, 2016 and for the year then ended, in accordance with the basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial statement was 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 this matter.

Restriction on Use

This report is intended solely for the information and use of the Board of Education, the State Education Department and management and is not intended to be and should not be used by anyone other than these specified parties.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

September 2, 2016

Putnam Valley Central School District, New York

Extracurricular Activity Funds

Statement of Cash Receipts, Cash Disbursements and Cash Balances

Year Ended June 30, 2016

	Cash Balances Beginning	Receipts	Disburse- ments	Cash Balances Ending
MIDDLE SCHOOL				
7th Grade	\$ 4,058	\$ 4,647	\$ 5,436	\$ 3,269
8th Grade	6,867	12,728	10,840	8,755
Art Club	1,676	759	247	2,188
Drama Club	6,207	3,184	1,188	8,203
Go Green	1,662	1,046	1,047	1,661
Invoice	195	286	163	318
Spanish Club	254	-	254	-
Student Council	7,235	104	1,350	5,989
Student Government	287	815	500	602
Yearbook	658	2,520	724	2,454
	<u>29,099</u>	<u>26,089</u>	<u>21,749</u>	<u>33,439</u>
Total Middle School				
HIGH SCHOOL				
Art Club	1,556	2,194	2,980	770
Cheerleading	7,015	13,098	6,805	13,308
Class of 2015	5,003	-	5,002	1
Class of 2016	7,881	21,161	29,042	-
Class of 2017	8,463	13,364	9,133	12,694
Class of 2018	6,588	8,922	6,078	9,432
Class of 2019	-	198	-	198
Foreign Language	165	851	547	469
Friends Network	835	1,204	421	1,618
Future Teachers	268	-	268	-
GSA	42	-	-	42
Interact	867	120	919	68
Literacy Magazine	429	410	410	429
Make A Difference	3,179	5,191	4,037	4,333
Newspaper Club	100	-	-	100
NYSTATE TAX	427	-	126	301
SADD	1,463	400	330	1,533
Stage Crew	1,855	2,671	3,833	693
Student Government	4,754	743	2,132	3,365
Tempomental	-	457	250	207
Theatre Works	20,758	18,759	24,782	14,735
Video Production Club	5,829	-	350	5,479
Wrestling	803	1,700	2,413	90
Yearbook	10,619	7,737	8,938	9,418
	<u>88,899</u>	<u>99,180</u>	<u>108,796</u>	<u>79,283</u>
Total High School				
Total All Schools	<u>\$ 117,998</u>	<u>\$ 125,269</u>	<u>\$ 130,545</u>	<u>\$ 112,722</u>

The accompanying note is an integral part of the financial statement.

Note 1 - Summary of Significant Accounting Policies

The transactions of the Extracurricular Activity Funds are considered part of the reporting entity of the Putnam Valley Central School District, New York ("School District"). These funds are reflected in the financial statements of the School District within the Agency Fund.

A. Basis of Accounting

These financial statements were prepared on the basis of cash receipts and cash disbursements in conformity with the accounting principles prescribed by the New York State Department of Education, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis of accounting, revenues are recognized when cash is received and expenditures are recognized when cash is disbursed.

B. Deposits and Risk Disclosure

Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

The Extracurricular Activity Funds deposits and investment policies follow the School District's policies. The School District's deposits and investment policies are governed by State statutes. The School District has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The School District is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies and obligations of New York State or its political subdivisions, and accordingly, the School District's policy provides for no credit risk on investments.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The School District has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned to it. Governmental Accounting Standards Board ("GASB") Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the School District's name. The School District's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at June 30, 2016.

The School District was invested only in the above mentioned obligations and, accordingly, was not exposed to any interest rate or credit risk.
