

Morrisville-Eaton Central School District
2020-2021 Year End AUDIT Extraclassroom Activities
TRACKING REPORT FOR MANAGEMENT LETTER COMMENTS

Observation	Recommendation	Management's Response	Assigned To	Target Date/ Completion
<p>Internal Controls Over Cash Receipts: Insufficient accounting controls over cash collection prior to the initial entry in the accounting records by the Central Treasurer. Internal accounting control and control over undeposited cash collections could be strengthened if receipts for cash collections were issued upon the point of sale and a preaudit of receipts was available for each major event.</p> <p>A significant deficiency is a control deficiency that adversely affects the entity's ability to initiate, records, process, or report financial data reliably. For the Extraclassroom Activity Fund, it is impractical to develop, implement, and test</p>	<p>The recommendation was that administrators of the school district review the safeguarding, accounting, and auditing of Extraclassroom Activity Funds, Finance Pamphlet 2, issued by the State Education Department.</p>	<p>The District developed an Extraclassroom Activity Fund manual that provides guidance which was based on the Finance Pamphlet 2 issued by SED. While perfect internal controls are impractical to develop, implement, and test, it is our intention to create controls that minimize the risk to the Fund. The District continues to try mitigating controls that do not discourage fund raising. The goal of the Extraclassroom activity funds is to provide opportunities for kids and allow them to experience fundraising and learn treasurer skills.</p> <p>The District will provide training to the faculty and staff on the best practices for Extra Curricular Funds accounting. It will provide guidance and support for implanting these practices. The District has reached out to their External Auditors who said they could provide a training.</p>	<p>Business Administrator</p>	<p>3/31/2021</p>

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internal controls over the various fundraising activities. For that reason, we do not extend our tests of receipts beyond receipt of monies by the Central Treasurer. The tests we did perform did not indicate that any money was missing.				