

NEWBURGH ENLARGED CITY SCHOOL DISTRICT

Extraclassroom Activity Funds Financial Statements

as of

June 30, 2020

Together with

Independent Auditor's Report

Bonadio & Co., LLP
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

October 13, 2020

To the Board of Education of
Newburgh Enlarged City School District:

Report on the Financial Statements

We have audited the accompanying financial statements of Newburgh Enlarged City School District (School District) Extraclassroom Activities Funds, which comprise the statement of cash and fund balance - cash basis as of June 30, 2020, and the related statement of cash receipts and disbursements - cash basis for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting 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 fraud or error.

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.

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INDEPENDENT AUDITOR'S REPORT

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Auditor's Responsibility (Continued)

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, we were unable to obtain sufficient audit evidence over such receipts beyond the amounts recorded.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the basis for qualified opinion paragraph, the financial statements referred to above present fairly, in all material respects, the cash and fund balances of the Extraclassroom Activity Funds of the School District as of June 30, 2020, and its cash receipts and cash disbursements for the year then ended, in accordance with the cash 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 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.

NEWBURGH ENLARGED CITY SCHOOL DISTRICT

**EXTRACLASROOM ACTIVITY FUNDS
STATEMENT OF CASH AND FUND BALANCE – CASH BASIS
JUNE 30, 2020**

ASSETS

RESTRICTED CASH \$190,368

TOTAL ASSETS \$190,368

FUND BALANCE

RESTRICTED FUND BALANCE \$190,368

TOTAL FUND BALANCE \$190,368

The accompanying notes are an integral part of these statements.

NEWBURGH ENLARGED CITY SCHOOL DISTRICT

**EXTRACLASSROOM ACTIVITY FUNDS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2020**

	Cash Balance July 1, 2019	Receipts	Disbursements	Cash Balance June 30, 2020
NEWBURGH FREE ACADEMY				
AARTS academy	\$ 2,423	\$ 8,310	\$ 6,023	\$ 4,710
AFJROTC	2,053	9,432	3,845	7,640
Black history club	74	583	100	557
Bookstore	1,359	1,642	1,992	1,009
Bookstore North	931	-	517	414
Class of 2020	1,798	-	-	1,798
Class of 2021	1,125	733	52	1,806
Class of 2023	-	83	6	77
Colonnade club	106	-	-	106
Drama club	6,253	2,897	1,739	7,411
G.O.	20,294	11,314	23,115	8,493
G.O. Marist	-	325	-	325
GO-PS50	258	6,534	2,567	4,225
Italian club	48	-	-	48
Italian honor society	119	380	380	119
Interact club	24	-	-	24
Key club	2,166	2,788	3,170	1,784
Math club	12	-	12	-
Music association	2,325	700	1,250	1,775
Music production	1,226	10,242	8,429	3,039
NFA ski club	1,542	3,508	3,620	1,430
NFA North Music & Theater	4,169	-	207	3,962
Prism	1,028	-	-	1,028
Photo club	29	-	-	29
Photo/video club	387	-	387	-
Science honor society	2,058	-	-	2,058
Sherpa club	365	-	364	1
Spanish club	508	305	17	796
Step squad	92	-	-	92
Yearbook	7,645	4,263	2,808	9,100
TOTAL NEWBURGH FREE ACADEMY	\$ 60,417	\$ 64,039	\$ 60,600	\$ 63,856
MIDDLE SCHOOLS - GRADES 6-8				
HERITAGE MIDDLE SCHOOL				
G.O.	\$ 22,954	\$ 38,165	\$ 28,929	\$ 32,190
National Jr. honor society	1,147	-	-	1,147
Ski club	7,028	-	7,028	-
Yearbook	798	362	26	1,134
TOTAL HERITAGE MIDDLE SCHOOL	\$ 31,927	\$ 38,527	\$ 35,983	\$ 34,471
SOUTH MIDDLE SCHOOL				
G.O.	\$ 2,059	\$ 6,753	\$ 8,507	\$ 305
Drama Club	-	2,924	511	2,413
Ski club	3,797	5,100	3,620	5,277
TOTAL SOUTH MIDDLE SCHOOL	\$ 5,856	\$ 14,777	\$ 12,638	\$ 7,995
GRADES K-8 SCHOOLS				
Meadow hill	\$ 11,497	\$ 2,098	\$ 5,476	\$ 8,119
Temple hill	17,641	8,537	8,925	17,253
TOTAL GRADES K-8 SCHOOLS	\$ 29,138	\$ 10,635	\$ 14,401	\$ 25,372
ELEMENTARY SCHOOLS - GRADES K-5				
Balmville	\$ 11,081	\$ 8,408	\$ 11,691	\$ 7,798
Fostertown	11,370	7,932	8,338	10,964
GAMS	9,424	2,550	7,331	4,643
Gardnertown	25,681	8,056	18,944	14,793
Horizons on the Hudson	6,431	1,114	4,057	3,488
New Windsor	11,303	6,131	6,884	10,550
Vales Gate	6,375	3,543	3,480	6,438
TOTAL ELEMENTARY SCHOOLS - GRADES K-5	\$ 81,665	\$ 37,734	\$ 60,725	\$ 58,674
Total	\$ 209,003	\$ 165,712	\$ 184,347	\$ 190,368

The accompanying notes are an integral part of these statements.

NEWBURGH ENLARGED CITY SCHOOL DISTRICT

EXTRACLASROOM ACTIVITY FUND NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Extraclassroom Activity Funds of Newburgh Enlarged City School District (School District) are prepared on the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The cash basis of accounting, therefore, does not recognize receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under accounting principles generally accepted in the United States of America. The more significant principles and policies used by the School District are described below.

Reporting Entity

The transactions of the Extraclassroom Activity Funds are included in the reporting entity of the School District. Such transactions are included in the basic financial statements of the School District and reported in the Trust and Agency Fund as cash and extraclassroom activity balances. Exclusion from the School District's financial statements, due to their nature and significance of their relationship with the primary government, would cause the reporting entity's financial statements to be misleading or incomplete.

The Extraclassroom Activity Funds represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School District with respect to its financial transactions and the designation of student management. The activities included in this report were formed only for educational and school activity purposes in accordance with School District rules and regulations for the conduct, operation, and maintenance of the Extraclassroom Activities.

Cash

The School District's cash consist of cash on hand and demand deposits. New York State law governs the School District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements, and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies, and obligations of New York State or its localities.

Demand deposits at year-end were entirely covered by FDIC. At June 30, 2020, demand deposits are entirely composed of cash on hand and demand deposit accounts. All deposits are carried at cost, which equals fair value.

Restricted Fund Balance

Restricted fund balance consists of the restricted cash for Extraclassroom Activities of the School District.