

CHELMSFORD PUBLIC SCHOOL DISTRICT
REPORT ON APPLYING AGREED-UPON PROCEDURES
IN RELATION TO THE PARKER MIDDLE SCHOOL STUDENT
ACTIVITY FUNDS

YEAR ENDED JUNE 30, 2020

CHELMSFORD PUBLIC SCHOOL DISTRICT
REPORT ON APPLYING AGREED-UPON PROCEDURES
IN RELATION TO THE PARKER MIDDLE SCHOOL
STUDENT ACTIVITY FUNDS

JUNE 30, 2020

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES IN RELATION TO THE PARKER MIDDLE SCHOOL STUDENT ACTIVITY FUNDS

To the Honorable School Committee and
Management of the Chelmsford Public School District
Chelmsford, Massachusetts

We have performed the procedures enumerated in the Massachusetts Department of Elementary and Secondary Education's (DESE) "Agreed-Upon Procedures and Audit Guidelines: Student Activity Funds", which were agreed to by the Chelmsford Public School District (District), solely to assist the District with an evaluation of the systems of internal controls and compliance with the Massachusetts Student Activity Law (Massachusetts General Law [MGL] Chapter 71, Section 47) as related to the Parker Middle School student activity funds for the period July 1, 2019, through June 30, 2020. The District is responsible for the administration and system of internal controls surrounding the student activity funds. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the Massachusetts Department of Elementary and Secondary Education's "Agreed-Upon Procedures and Audit Guidelines: Student Activity Funds" either for the purpose for which this report has been requested or for any other purpose.

We have listed our comments and the corresponding agreed-upon procedures in the accompanying Schedule of Comments.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on cash and student activity balances. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Chelmsford Public School District and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

May 27, 2021

Student Activity Schedules

SCHEDULE OF STUDENT ACTIVITY BALANCES - CASH BASIS

June 30, 2020

ASSETS

Cash and cash equivalents.....	\$	<u>58,540</u>
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STUDENT ACTIVITY BALANCES

Band.....	\$	7,279
Chorus.....		3,700
Cross Country.....		10
Drama.....		29,007
General Student Body Fund.....		291
Grade 5 and Field Trips.....		346
Grade 6 and Field Trips.....		796
Grade 7 and Field Trips.....		2,220
Grade 8 and Field Trips.....		5,176
Orchestra.....		2,904
School Store.....		152
Student Council.....		4,901
Yearbook.....		<u>1,758</u>

TOTAL STUDENT ACTIVITY BALANCES.....	\$	<u>58,540</u>
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SCHEDULE OF ACTIVITIES - CASH BASIS

June 30, 2020

Receipts:	
Student activities.....	\$ <u>51,767</u>
Disbursements:	
Student activities.....	<u>49,362</u>
Increase (decrease) in student activity balances.....	2,405
STUDENT ACTIVITY BALANCES AT BEGINNING OF YEAR.....	<u>56,135</u>
STUDENT ACTIVITY BALANCES AT END OF YEAR.....	\$ <u><u>58,540</u></u>

SCHEDULE OF SUPPORT, RECEIPTS AND DISBURSEMENTS - CASH BASIS

June 30, 2020

	Beginning Balances	Receipts	Disbursements	Transfers In (Out)	Receipts Over (Under) Disbursements	Ending Balances
Band.....	\$ 561	\$ 9,231	\$ 2,513	\$ -	\$ 6,718	\$ 7,279
Chorus.....	1,907	4,694	2,901	-	1,793	3,700
Cross Country.....	-	500	1,174	684	10	10
Drama.....	30,437	9,315	10,745	-	(1,430)	29,007
General Student Body Fund.....	1,644	874	1,251	(976)	(1,353)	291
Grade 5 and Field Trips.....	1,184	4,986	5,824	-	(838)	346
Grade 6 and Field Trips.....	1,868	-	1,072	-	(1,072)	796
Grade 7 and Field Trips.....	1,852	5,575	5,207	-	368	2,220
Grade 8 and Field Trips.....	5,815	7,196	7,835	-	(639)	5,176
Orchestra.....	540	5,225	2,861	-	2,364	2,904
School Store.....	152	-	-	-	-	152
Student Council.....	7,986	3,808	6,615	(278)	(3,085)	4,901
Yearbook.....	2,189	363	1,364	570	(431)	1,758
Totals.....	\$ 56,135	51,767	49,362	\$ -	\$ 2,405	\$ 58,540

SECTION IV. – REVENUE, RECEIPTS AND DEPOSITS**School Deposits**DESE Guideline

The receipts process is most susceptible to theft and abuse since cash collections for student activities are normally decentralized, and individuals collecting cash are often young students inexperienced with cash handling.

Agreed Upon Procedures

Make a selection of receipts to test. This sample population should be a representative sample of receipts that are made from the school deposit slips. Upon determination of the samples to be tested, perform the following procedures on each sample:

1. Determine if pre-numbered receipts are used.
2. Determine if funds are remitted within twenty-four hours or within the next business day (if a weekend day) to the principal's office.

Comments

We noted that 22 out of the 25 transactions selected for testing did not have pre-numbered receipts or tickets, student listings, and/or any supporting documentation that indicated who collected the funds and when the funds were collected. Of the remaining 3 transactions where this support was obtained, 1 transaction was noted where the funds were not turned over the Principal's office within 24 hours of being collected.

We recommend that the District implement procedures that provide an audit trail for the funds collected by the advisor prior to turning the funds over to the Principal's office.

This comment is substantially the same comment made in our December 31, 2018, report.