

CHELMSFORD PUBLIC SCHOOL DISTRICT

***REPORT ON APPLYING AGREED-UPON PROCEDURES
IN RELATION TO THE CHELMSFORD HIGH SCHOOL
STUDENT ACTIVITY FUNDS***

YEAR ENDED JUNE 30, 2021

CHELMSFORD PUBLIC SCHOOL DISTRICT

REPORT ON APPLYING AGREED-UPON PROCEDURES
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STUDENT ACTIVITY FUNDS

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**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING
AGREED-UPON PROCEDURES IN RELATION TO THE
CHELMSFORD HIGH 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 Chelmsford High School student activity funds for the period July 1, 2020, through June 30, 2021. 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.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement related to our agreed-upon procedures engagement.

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.



June 7, 2022

Student Activity Schedules

SCHEDULE OF STUDENT ACTIVITY BALANCES - CASH BASIS

June 30, 2021

ASSETS

Cash and cash equivalents..... \$ 252,563

STUDENT ACTIVITY BALANCES

Athletics.....	\$	386
ATWE.....		2,480
Badminton.....		1
Band.....		1,156
Basketball - Girls.....		2,073
Best Buddies.....		87
Career Center.....		1,423
Cheerleading.....		555
Chorus.....		2,019
Class of 2020.....		56,328
Class of 2021.....		18,519
Class of 2022.....		10,858
Class of 2023.....		1,500
Class of 2024.....		601
Cross Country.....		1,150
Dance Team.....		2,601
DECA.....		3,368
ECO Club.....		871
Field Hockey.....		2,708
Field Trips.....		3,208
Fine Arts.....		5,934
Football.....		19,549
French Enrichment.....		3,291
General Student Body Fund.....		2,542
Golf.....		447
Ice Hockey - Boys.....		2,123
Ice Hockey - Girls.....		441
International Relations.....		444
Key Club.....		1,859
Lacrosse - Boys.....		1,037
Lacrosse - Girls.....		1,566
LIME.....		393
Lion Yearbook.....		3,983
Melting Pot Club.....		506
Mme Queenan Boutique.....		387
Mock Trial.....		256
National Business HS.....		437
National Honors Society.....		1,163
National Science HS.....		2,577
NEHS.....		1,149
Orchestra.....		655
PAVE Program.....		584
Reality Check.....		698
SAGA.....		857
Ski Team.....		1,063
Soccer - Boys.....		2,375
Soccer - Girls.....		4,872

(Continued)

SCHEDULE OF STUDENT ACTIVITY BALANCES - CASH BASIS

June 30, 2021

Softball.....	4,057
Speech and Debate Team.....	525
Student Council.....	3,440
Student Trainers.....	404
Swim Team - Boys.....	1,655
Swim Team - Girls.....	502
Tennis - Boys.....	416
Tennis - Girls.....	909
Theater Guild.....	59,371
Thomas Jefferson Forum.....	662
Track.....	85
Tri-M.....	89
Voice Student News.....	365
Volleyball - Boys.....	826
Volleyball - Girls.....	4,713
World Language HS - LFS.....	989
Wrestling.....	475
TOTAL STUDENT ACTIVITY BALANCES.....	\$ <u>252,563</u>

(Concluded)

SCHEDULE OF ACTIVITIES - CASH BASIS

June 30, 2021

Receipts:	
Student activities.....	\$ <u>173,727</u>
Disbursements:	
Student activities.....	<u>165,667</u>
Increase (decrease) in student activity balances.....	8,060
STUDENT ACTIVITY BALANCES AT BEGINNING OF YEAR.....	<u>244,503</u>
STUDENT ACTIVITY BALANCES AT END OF YEAR.....	\$ <u><u>252,563</u></u>

SCHEDULE OF RECEIPTS AND DISBURSEMENTS - CASH BASIS

June 30, 2021

	Beginning Balances	Receipts	Disbursements	Transfers In (Out)	Receipts Over (Under) Disbursements	Ending Balances
Athletics.....	\$ 4,402	\$ -	\$ 3,916	\$ (100)	\$ (4,016)	\$ 386
ATWE.....	2,480	-	-	-	-	2,480
Badminton.....	1	-	-	-	-	1
Band.....	1,394	320	558	-	(238)	1,156
Basketball - Girls.....	2,311	4,170	4,408	-	(238)	2,073
Best Buddies.....	447	340	700	-	(360)	87
Career Center.....	1,423	-	-	-	-	1,423
Cheerleading.....	555	-	-	-	-	555
Chorus.....	1,944	100	25	-	75	2,019
Class of 2020.....	40,773	27,261	11,706	-	15,555	56,328
Class of 2021.....	3,888	58,956	49,325	5,000	14,631	18,519
Class of 2022.....	1,035	11,689	1,866	-	9,823	10,858
Class of 2023.....	2,005	1,109	1,614	-	(505)	1,500
Class of 2024.....	-	601	-	-	601	601
Cross Country.....	1,150	-	-	-	-	1,150
Dance Team.....	2,742	340	481	-	(141)	2,601
DECA.....	3,826	12,426	12,884	-	(458)	3,368
ECO Club.....	871	-	-	-	-	871
Field Hockey.....	3,208	-	500	-	(500)	2,708
Field Trips.....	8,316	-	5,108	-	(5,108)	3,208
Fine Arts.....	4,684	1,250	-	-	1,250	5,934
Football.....	22,012	16,970	19,433	-	(2,463)	19,549
French Enrichment Club.....	3,291	-	-	-	-	3,291
General Student Body Fund.....	7,539	1,139	1,136	(5,000)	(4,997)	2,542
Golf.....	447	-	-	-	-	447
Ice Hockey - Boys.....	2,903	4,650	5,430	-	(780)	2,123
Ice Hockey - Girls.....	441	-	-	-	-	441
International Relations.....	444	-	-	-	-	444
Key Club.....	629	1,230	-	-	1,230	1,859
Lacrosse - Boys.....	317	720	-	-	720	1,037
Lacrosse - Girls.....	1,566	-	-	-	-	1,566
LIME.....	530	1,359	1,496	-	(137)	393
Lion Yearbook.....	4,283	4,495	4,795	-	(300)	3,983
Melting Pot Club.....	384	122	-	-	122	506
Mme Queenan Boutique.....	387	-	-	-	-	387
Mock Trial.....	256	280	280	-	-	256
National Business HS.....	437	-	-	-	-	437
National Honors Society.....	1,163	-	-	-	-	1,163
National Science HS.....	1,445	1,425	293	-	1,132	2,577
NEHS.....	1,155	1,005	1,011	-	(6)	1,149
Orchestra.....	735	-	80	-	(80)	655
PAVE Program.....	584	-	-	-	-	584
Reality Check.....	698	-	-	-	-	698
SAGA.....	857	-	-	-	-	857
Ski Team.....	1,063	-	-	-	-	1,063
Soccer - Boys.....	3,694	-	1,319	-	(1,319)	2,375
Soccer - Girls.....	7,073	-	2,201	-	(2,201)	4,872
Softball.....	6,171	-	2,114	-	(2,114)	4,057
Speech and Debate Team.....	1,041	3,548	4,064	-	(516)	525
Student Council.....	1,645	1,795	-	-	1,795	3,440
Student Trainers.....	404	-	-	-	-	404
Swim Team - Boys.....	791	2,196	1,332	-	864	1,655
Swim Team - Girls.....	287	8,191	7,976	-	215	502
Tennis - Boys.....	416	-	-	-	-	416
Tennis - Girls.....	909	-	-	-	-	909
Theater Guild.....	67,812	5,740	14,181	-	(8,441)	59,371
Thomas Jefferson Forum.....	662	-	-	-	-	662
Track.....	1,300	-	1,315	100	(1,215)	85

(Continued)

SCHEDULE OF RECEIPTS AND DISBURSEMENTS - CASH BASIS

June 30, 2021

	Beginning Balances	Receipts	Disbursements	Transfers In (Out)	Receipts Over (Under) Disbursements	Ending Balances
Tri-M.....	89	-	-	-	-	89
Voice Student News.....	365	-	-	-	-	365
Volleyball - Boys.....	826	-	-	-	-	826
Volleyball - Girls.....	7,713	-	3,000	-	(3,000)	4,713
World Language HS - LFS.....	1,189	-	200	-	(200)	989
Wrestling.....	1,095	300	920	-	(620)	475
Totals.....	\$ 244,503	\$ 173,727	\$ 165,667	\$ -	\$ 8,060	\$ 252,563

(Concluded)

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.
3. Determine if the receipt is accompanied by a school deposit slip.

Comments

We noted that all 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. Because information regarding the collection of funds was not maintained, we were unable to determine the timing between when the monies were collected and when they were turned over to the principal's office for deposit.

We noted that for 3 out of the 25 selections, the Principal's signature on the school deposit slip was dated nearly a month after the date of the staff advisor's signature.

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.

SECTION VI. – CLASS, INACTIVE ACCOUNTS AND DEFICITS**Inactive Accounts**DESE Guideline

Any student activity inactive for a period of three (3) years or more, and for which there has been no receipts or disbursements recorded on their behalf, shall be closed by taking the following actions:

- Written notification by the advisor or student officer to the School Principal or other authorized administrator that the activity will cease to be a viable account. If an advisor or student officer is not available, such discontinuance shall be by vote of the School Committee.
- All assets of the recognized student activity shall be identified and stated in writing.

- Any disposition of assets of an inactive recognized student activity shall be determined by the School Committee, but in no case shall the disposition benefit specific individuals.
- Such policy will be communicated to the students who contribute to the accounts, when possible.

Agreed Upon Procedures

Obtain listing of all individually listed student activity accounts. Scan the listing for class accounts that do not have any activity and review prior years' activity for those accounts to determine if they are inactive. Determine if disposition is in accordance with School Committee policies.

Comment

We reviewed each of the District's student activity accounts and noted eight individual activities that maintain cash balances, but have been inactive for three or more years.

We recommend that the District close the inactive student activity account in accordance with School Committee Policy. We also recommend that the district review each individual student activity at the end of each school year to ensure that inactive accounts are closed in a timely manner.

SECTION VII. – STUDENT TRAVEL

Enhance Student Travel Policy

DESE Guideline

The School Committee should adopt policies and procedures for student travel related to student activities (i.e. field trips, overnight, and abroad). The policy should address how travel is to be authorized, the method or methods of paying travel expenditures, and final accountability for all travel costs associated with a trip. The following should be included in the policy:

- A statement of final accountability must be submitted by the authorized trip sponsor promptly after the completion of the trip. Final accountability statements should include at least the following: date; notation of advance funds received (if applicable - amount, date, and check number); complete listing of itemized expenditures paid - together with documentary evidence of payment; totals of cash or checks expended; notation and totals of credit card or open account expenses (if applicable); the amount returned to the student activities if advances received exceed documented expenditures; the amount of additional reimbursement requested if travel expenses incurred exceed travel advances received; signature of person completing final accountability statement and signature of School Principal or their designee to indicate that there has been an acceptable final accountability.

Agreed Upon Procedure

Through review of School Committee policies, determine if the policy for student travel is adequate.

Comment

The District's student travel policy does not require that a statement of final accountability be submitted by the authorized trip sponsor promptly after the completion of the trip. We recommend that the School Committee policy be revised to require a statement of final accountability to be submitted at the completion of a trip.