



EXTRACLASSROOM ACTIVITY FUNDS  
FINANCIAL STATEMENT WITH  
INDEPENDENT AUDITOR'S REPORT

June 30, 2023

**FREEPORT UNION FREE SCHOOL DISTRICT**  
**EXTRACLASSROOM ACTIVITY FUNDS**  
June 30, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Freeport Union Free School District  
Freeport, New York

### ***Opinion***

We have audited the accompanying Statement of Cash Receipts and Disbursements of the Freeport Union Free School District's (District) extraclassroom activity funds for the year ended June 30, 2023, and the related notes to the financial statement, which collectively comprise the District's financial statement as listed in the table of contents.

In our opinion, the financial statement referred to in the paragraph above presents fairly, in all material respects, the cash transactions of the extraclassroom activity funds of the Freeport Union Free School District for the year ended June 30, 2023, in accordance with the cash basis of accounting described in Note I.B.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Freeport Union Free School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Emphasis of Matter - Basis of Accounting***

We draw attention to Note I.B. of the financial statement, which describes the basis of accounting. This financial statement is 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 that matter.

### ***Responsibilities of Management for the Financial Statement***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note I.B; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement 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.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the extraclassroom activity funds' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statement***

Our objectives are to obtain reasonable assurance about whether the financial statement, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the extraclassroom activity funds' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*Cullen & Danowski, LLP*

October 10, 2023

**FREEPORT UNION FREE SCHOOL DISTRICT**  
**EXTRACLASSROOM ACTIVITY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
For the Year Ended June 30, 2023

	Cash Balance <u>June 30, 2022</u>	Receipts and <u>Transfers</u>	Disbursements and <u>Transfers</u>	Cash Balance <u>June 30, 2023</u>
<b>CLUBS - HIGH SCHOOL</b>				
Class of 2022	\$ 3,636	\$ 29	\$ 501	\$ 3,164
Class of 2023	7,991	56,016	61,534	2,473
Class of 2024	1,460	9,439	4,543	6,356
Class of 2025	3,966	12,641	8,389	8,218
Class of 2026	-	2,453	474	1,979
Art Club	441	618	555	504
Art Department	81		81	-
Business Club	5			5
Captains & Leaders Club	577	521		1,098
DECA	916	7,079	4,227	3,768
FHS Aids Awareness	8			8
FHS Baseball Team	1,182	813	626	1,369
FHS Boys Basketball	4			4
FHS Boys Lacrosse Team	3,311	22	911	2,422
FHS Boys Soccer	218	63		281
FHS Chorus Trip	9,247	24,195	25,883	7,559
FHS Girls Badminton Team	257	306	-	563
FHS Girls Lacrosse Team	1,026	968	1,094	900
FHS Girls Softball	723	7	67	663
FHS Girls Volleyball	917	210		1,127
FHS Marching Band	4,417	41,305	23,398	22,324
FHS Music Awards Dinner	1,091	2,805	3,349	547
FHS Musical Fund	9,208	12,381	5,665	15,924
FHS Varsity Cheerleaders	1,666	16,663	15,776	2,553
FHS Wrestling Team	3,083	4,866	1,176	6,773
Flashings	269	2		271
Foreign Language Club	1,289	239	89	1,439
Gay/Straight Alliance	801	160	200	761
German Exchange Club	2,116	19		2,135
German Exchange Trip	126	1		127
Graphic Designs	525	1,370	1,533	362
Subtotal - High School	<u>60,557</u>	<u>195,191</u>	<u>160,071</u>	<u>95,677</u>

**FREEPORT UNION FREE SCHOOL DISTRICT**  
**EXTRACLASROOM ACTIVITY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
For the Year Ended June 30, 2023  
(Continued)

	Cash Balance <u>June 30, 2022</u>	Receipts and <u>Transfers</u>	Disbursements and <u>Transfers</u>	Cash Balance <u>June 30, 2023</u>
<b>CLUBS - HIGH SCHOOL</b>				
Subtotal from Page 2	\$ 60,557	\$ 195,191	\$ 160,071	\$ 95,677
Guidance Club	105	31	12	124
Honor Society	357	170		527
Human Relations	15	1,070	1,078	7
Interact Club	80	124		204
ITS Academic	360	3		363
Key Club	5,171	23,177	16,845	11,503
Kickline	1,120	1,263	1,319	1,064
LADY	722	1	585	138
Lady Devils Basketball	1,789	6,822	3,692	4,919
Liberty Partnership	55			55
Mathletes	285	2	118	169
Mock Trial	2,254	536	2,600	190
Ninth Grade Select Chorus	225	6,824	6,530	519
NJROTC Leadership Club	1,089	8,867	9,109	847
Red Devil Football	3,815	4,849	4,050	4,614
Robotics	1,475	1,371	1,602	1,244
SADD	901	8	46	863
Sales Tax Payable	314	466	703	77
School Store	1,553	616	1,498	671
Spanish National Honor Society	10			10
Strings/Orchestra	11	10,408	9,616	803
Student Congress	6,657	1,584	1,810	6,431
Twilight	833	3,156	2,501	1,488
Vintage	4	89		93
Yearbook	7,822	6,099	11,827	2,094
Young Mens Empowerment	361	3		364
Youth & Government	234	2		236
Total High School	<u>98,174</u>	<u>272,732</u>	<u>235,612</u>	<u>135,294</u>

**FREEPORT UNION FREE SCHOOL DISTRICT**  
**EXTRACLASSROOM ACTIVITY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
For the Year Ended June 30, 2023  
(Continued)

	Cash Balance <u>June 30, 2022</u>	Receipts and <u>Transfers</u>	Disbursements and <u>Transfers</u>	Cash Balance <u>June 30, 2023</u>
<b>CLUBS - MIDDLE SCHOOL</b>				
FMS Early College Awareness	\$ 256	\$ 1	\$ -	\$ 257
FMS Football	551		551	-
FMS Dance Team	-	552	449	103
FMS Instrumental	(48)	398	145	205
FMS Ladies of DOD	1			1
FMS Peer Mediation	227	1	36	192
FMS Respect	345	140	10	475
FMS Science Club	253	362	74	541
FMS Student Council	2,650	1,511	1,192	2,969
FMS Yearbook	<u>7,263</u>	<u>4,971</u>	<u>6,075</u>	<u>6,159</u>
Total Middle School	<u>11,498</u>	<u>7,936</u>	<u>8,532</u>	<u>10,902</u>
Grand Total - All Schools	<u><u>\$ 109,672</u></u>	<u><u>\$ 280,668</u></u>	<u><u>\$ 244,144</u></u>	<u><u>\$ 146,196</u></u>

**FREEPORT UNION FREE SCHOOL DISTRICT**  
**EXTRACLASROOM ACTIVITY FUNDS**  
**NOTES TO FINANCIAL STATEMENT**  
June 30, 2023

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Financial Reporting Entity**

The extraclassroom activity funds represent funds of the students of the Freeport Union Free School District. Although, the extraclassroom activity funds are independent of the Freeport Union Free School District with respect to its financial transactions and the designation of student management and the individual transactions related to the activities of the funds, the Board of Education exercises general oversight of these funds and it has been determined that District management exercises administrative involvement with respect to the financial transactions. Based on these criteria, the extraclassroom activity funds are included in the Freeport Union Free School District's reporting entity and reported as a special revenue fund.

**B. Basis of Accounting**

The accompanying financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because receivables and payables, inventory, long-lived assets, and accrued income and expenses, which would be recognized under accounting principles generally accepted in the United States of America, and which may be material in amount, are not recognized in the accompanying financial statement.

**C. Deposits with Financial Institutions and Investments**

The District's investment policies are governed by state statutes and District policy. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the U.S. Treasury and U.S. 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 and its municipalities. Investments are stated at fair value.

Custodial credit risk is the risk that in the event of a bank failure, the District may be unable to recover deposits or collateral securities that are in possession of an outside agency. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are as follows:

- A. Uncollateralized,
- B. Collateralized by securities held by the pledging financial institution, or
- C. Collateralized by securities held by the pledging financial institution's trust department or agent but not in the District's name.

The District's extraclassroom activity funds' aggregate bank balances were covered by FDIC insurance or fully collateralized by securities and/or letters of credit pledged on the District's behalf at year end.



