



Scanlon
& ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

SHREWSBURY HIGH SCHOOL

**Independent Accountant's Report on Applying Agreed-Upon Procedures
Over Compliance Applicable to Massachusetts School Districts'
Student Activity Funds**

For the Year Ended June 30, 2018

SHREWSBURY HIGH SCHOOL

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Student Activity Funds**

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Town of Shrewsbury School Committee
Town of Shrewsbury
Shrewsbury, Massachusetts

We have performed the procedures, which were agreed to by the management of the Shrewsbury Public Schools, solely to assist the Shrewsbury Public Schools and the Massachusetts Department of Elementary and Secondary Education (DESE) in evaluating the Shrewsbury Public Schools' assertion that it has complied with DESE Guidelines with respect to Student Activity Funds for the Shrewsbury High School. The Shrewsbury Public Schools' management is responsible for the Student Activity Fund. 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 the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures performed, which are set forth in the Guidelines, either for the purpose for which this report has been requested or for any other purpose.

We performed procedures specified in the DESE *Agreed Upon Procedures and Audit Guidelines* applicable to the Shrewsbury High School's Student Activity Funds for the year ended June 30, 2018. We have listed instances of noncompliance in the accompanying Schedule of Findings and Recommendations.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the Shrewsbury Public Schools' compliance with the Guidelines. 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 information and use of the Shrewsbury Public Schools, its management, the School Committee and the Massachusetts Department of Elementary and Secondary Education and is not intended to be and should not be used by anyone other than the specified parties. However, this report is a matter of public record and its distribution is not limited.

Scanlon & Associates, LLC

Scanlon & Associates, LLC
South Deerfield, Massachusetts
November 7, 2018

SHREWSBURY HIGH SCHOOL
Student Activity Fund
Accompanying Notes
June 30, 2018

General

The student activity fund is a group of self-balancing accounts for the use of student activities. The fund is governed under provisions established by Section 47 of Chapter 71 of the Massachusetts General Laws and policies adopted by the Shrewsbury School Committee under this Act. All moneys received are deposited with the Town Treasurer into a Student Activity Agency Account for the school.

The School Committee has authorized the Principal of the School to maintain a checking account with a maximum amount authorized of \$150,000. The checking account is used for expenditures only. Periodically, to the extent that funds are available in the Student Activity Agency Account, the Town Treasurer reimburses the Student Activity checking account, through the warrant process.

Revenues

The revenue of this fund is revenue that is earned by activities of classes or clubs and is not derived from Town activities. Examples include class dues, class dances, class projects such as food sales, sale of small goods, etc., of which are credited to the proper activity fund.

Expenditures

Expenditures are charged to each club or class account.

SHREWSBURY HIGH SCHOOL
Student Activity Fund
Schedule of Findings and Recommendations
June 30, 2018

1. Accounts That Should Be Revolving Funds

A student activity account may be used for funds raised by student organizations which will be expended by those students for their benefit. Funds raised or donated that are governed by laws other than the student activity laws cannot be deposited to a student activity account.

We found the following accounts in the student activity fund that could more appropriately be considered revolving accounts as the funds are from fees charged for services as part of a curriculum and are not from student fundraising for extracurricular activities:

Art Revolving and AP Arts – Money deposited into these accounts is from fees charged to students to purchase supplies for art classes. These accounts should be revolving funds.

Guidance Literature – Money deposited into this account is from student transcript fees. Disbursements from this account are for guidance department expenses. This account should be a revolving fund.

2. Library Lost Book Fees

The Library-Media Account has receipts deposited that are from lost books fees.

Receipts from lost school books fall under Chapter 44 Section 53 of the Massachusetts General Laws, which states that money recovered from students in public schools for loss of or damage to school books and materials shall be paid to the Town treasury and may be used by the School Committee for the restoration or replacement of such books or materials without further appropriation.

Funds collected from lost library books should be deposited to the Town into the Lost Book Revolving account.

3. Drama and Musical Ticket Sales

The school has a spring musical and a fall play for which an admission fee is charged. There is currently no form to report the proceeds of ticket sales for admission to the events.

For proper accountability we recommend that pre-numbered tickets be used. After the event a report on ticket sales should be prepared. The report would include the first and last ticket numbers sold, total number of tickets sold, complimentary admissions, total amount received, and amounts of any sales of concessions collected at the event. The ticket sales should be reconciled to the total cash collected and deposited.

4. Accounting for Fundraisers

During the most recent school year the classes and clubs at the school have not used the Fundraising Report Form to report the results of fundraisers, as has been done in prior years.

We recommend that groups holding fundraisers complete a Fundraising Report Form and submit them to the Assistant Principal responsible for overseeing fundraisers.

SHREWSBURY HIGH SCHOOL
Student Activity Fund
Schedule of Findings and Recommendations
June 30, 2018

These reports would provide a basis for review by third parties and help groups for future planning to evaluate the effectiveness of past fundraisers.

5. Inactive Accounts

As of June 30, 2018, there were 30 accounts for a total of \$14,525.18 that had no activity during the 2017-2018 school year. Of these accounts, 21 of them for a total of \$9,695.50 have had no activity for at least three years.

The school should annually review the accounts that have had no activity for several years. Any that represent groups that are no longer active should be closed out to the General Interest account or to a similar account as the original group and should be expended in accordance with School Committee policy.

6. Yearbook Account Balance

As of June 30, 2018, the Yearbook account had a balance of \$21,470.18. This is an increase of \$10,884.00 from the prior year. Parents and students purchase the yearbooks online and pay the yearbook vendor directly. The receipts into the Yearbook account in the student activity fund are from sales of "ads", or parents paying for a page to highlight their students.

The money raised from ad sales should be used as a credit to the yearbook vendor to offset the cost of the yearbooks and should be passed on as a reduction of the cost to the parents and students.

7. Variances to Town's Balances

As of June 30, 2018, there is a variance to the Town's general ledger of \$15,101.81 between the Town Treasurer and the Town Accountant's Munis general ledger, with the Town Accountant's general ledger being lower. The Town Accountant and Town Treasurer should research this variance.

SCHEDULE A

SHREWSBURY HIGH SCHOOL
STUDENT ACTIVITY FUND
BALANCE SHEET
June 30, 2018

ASSETS

Cash:

In Custody of School Principal:

Checking Account:

Bank of America

\$ 52,230.72

In Custody of Town Treasurer:

Agency Account:

Bank of America

134,740.20

Trust Account:

Bank of America

30,000.00

TOTAL ASSETS

\$ 216,970.92

FUND BALANCE

Fund Balance:

Student Activity Fund (SCHEDULE B)

\$ 216,970.92

See Accompanying Notes.

SCHEDULE B-1

SHREWSBURY HIGH SCHOOL
 STUDENT ACTIVITY FUND
 ACCOUNT BALANCES
 June 30, 2018

<u>Name of Organization/Fund</u>	<u>Balance</u>
Academic Mentors	\$ 2,138.71
Acapella Choir	5,047.45
American Studies	89.44
Anime Club	156.72
AP Arts	144.54
Art Revolving	2,036.35
Asian Club	877.46
Athletic Department	1,790.14
Athletic-Ski Team	457.12
Audit Fee	772.61
Black History Committee	905.55
Chemistry Club	136.42
Chess Club	184.17
Class of 2018	5,757.33
Class of 2019	32,152.38
Class of 2020	18,379.96
Class of 2021	3,949.17
Concussion Testing	301.24
Do-it-Yourself Club	481.18
Education Leadership for a Nonviolent Age (ELNA)	57.49
Education Television Studio (ETS)	45.29
Excelsior	603.07
Fashion for Charity	64.35
French Club	433.97
Gay Straight Alliance	336.08
General Interest Fund	2,731.03
TOTAL SCHEDULE B-1	\$ 80,029.22

See Accompanying Notes.

**SHREWSBURY HIGH SCHOOL
STUDENT ACTIVITY FUND
ACCOUNT BALANCES
June 30, 2018**

SCHEDULE B-2

<u>Name of Organization/Fund</u>	<u>Balance</u>
Field Trips:	
Accounting	\$ 77.35
Art	699.47
Chinese	10.40
ELC	165.00
English	3,279.07
French	154.09
Math	293.79
Science	3,004.03
Social Studies	971.20
Spanish	14.21
Global-Make a Difference (G-Mad)	885.02
Green Club	1,860.63
Guidance Literature	5,019.67
Guidance PSAT	2,455.76
History Club	955.88
Latin Club	451.00
Latin Honor Society	2,550.71
Library - Media	233.28
Life Skills Vocational Fund	50.94
Little Colonials	332.71
Lock Money	420.00
Marine Biology Club	495.17
Math Honor Society	1,894.61
Math Team	1,065.43
Mock Trial	50.00
Music Revolving	1,353.07
Music-Band	3,430.14
Music-Orchestra	542.46
Muslim Student Association	555.91
National Art Honor Society	287.91
National Chinese Honor Society	2,781.33
National English Honor Society	420.05
National Honor Society	9,955.70
National Social Studies Honor Society	979.17
New Entrant Assistance Team	389.94
Outdoor Classroom	4,578.50
Outdoors Club	49.39
TOTAL SCHEDULE B-2	\$ 52,712.99

See Accompanying Notes.

SCHEDULE B-3

SHREWSBURY HIGH SCHOOL
 STUDENT ACTIVITY FUND
 ACCOUNT BALANCES
 June 30, 2018

<u>Name of Organization/Fund</u>	<u>Balance</u>
Political Action Group	\$ 13.77
Quiz Team	5.00
Reality Check Events	620.40
School Store	3,941.48
Science Team	400.00
Service Learning Grant	2,048.36
Shrewsbury High School:	
Drama	12,347.82
Faces Project	16.42
Improv	969.84
Model United Nations	162.36
Plants and Planting Fund	410.31
Ski Club	40.10
Students for a Medically Aware Community (SMAC)	1,324.57
Soup-er Bowl Fundraiser	50.00
Spanish Club	242.40
Spanish National Honor Society	3,235.84
Special Education (SPED)	142.03
Special Education (SPED) Life Skills	63.36
Special Peer Connection	2,564.19
Speech and Debate Team	3,538.51
Spring Musical	23,713.82
Student Council	4,078.79
Student Social Services	2,255.71
Town Crier	57.83
Music National Honor Society (Tri-M)	515.62
Yearbook	21,470.18
TOTAL SCHEDULE B-3	<u>84,228.71</u>
TOTAL SCHEDULE B-1	80,029.22
TOTAL SCHEDULE B-2	52,712.99
TOTAL ACCOUNT BALANCES	<u><u>\$ 216,970.92</u></u>

See Accompanying Notes.