



SPRINGFIELD PUBLIC SCHOOLS

REPORT ON APPLYING STUDENT AGREED UPON  
PROCEDURES IN RELATION TO STUDENT ACTIVITY  
FUNDS

YEAR ENDED JUNE 30, 2019

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*Yong Ju No, CPA*  
*Director of Internal Audit*

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**Office of Internal Audit**

36 Court Street – Room 411  
Springfield, MA 01103

Yong Ju No, CPA  
Director of Internal Audit  
(413) 784-4844  
yno@springfieldcityhall.com



THE CITY OF SPRINGFIELD, MASSACHUSETTS

OFFICE OF INTERNAL AUDIT'S REPORT ON APPLYING AGREED-UPON  
PROCEDURES IN ACCORDANCE WITH *THE MASSACHUSETTS DEPARTMENT  
OF ELEMENTARY AND SECONDARY EDUCATION AGREED-UPON PROCEDURES AND AUDIT  
GUIDELINES: STUDENT ACTIVITY FUNDS*

June 15, 2020

To the Superintendent and School Committee  
Springfield, Massachusetts

I have inspected the financial records, reviewed policies and procedures and conducted tests of the internal control processes in place to administer the Student Activities of Springfield Public Schools for the year ended June 30, 2019. The purpose of this inspection was to determine if the financial records, policies and procedures, and internal control processes in place are sufficient to support the objectives of the School Committee of Springfield Public Schools as it relates to the Student Activities.

My procedures were designed using the *Massachusetts Department of Elementary and Secondary Education Audit Guidelines: Student Activity Funds*. These guidelines were used in reaching my conclusion.

As a result of my procedures, certain matters came to my attention that I have reported in the accompanying Schedule of Results.

Except for those matters reported in the accompanying Schedule of Results, I conclude that the financial records, policies and procedures, and internal control processes in place are sufficient to support the objectives of the management of the Student Activities of Springfield Public Schools.

I did not conduct an examination or review on the accompanying Schedule of Student Activity Balances – Cash Basis and Schedule of Activities- Cash Basis. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

My inspection is not meant to be construed as an audit or opinion rendered by a Certified Public Accountant.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Yong Ju No'. The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF STUDENT ACTIVITY BALANCES – CASH BASIS**

JUNE 30, 2019

**ASSETS**

Cash and cash equivalents.....	\$	<u>284,179</u>
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**STUDENT ACTIVITY BALANCES**

CHESTNUT NORTH STUDENT COUNCIL.....	\$	81
CHESTNUT SOUTH BOOK CLUB.....		76
COMMERCE BOYS BASEBALL CLUB.....		320
COMMERCE BOYS BASKETBALL.....		1,942
COMMERCE BOYS' VOLLEYBALL.....		176
COMMERCE CAP AND GOWN.....		530
COMMERCE CHEERLEADING.....		9
COMMERCE CLASS OF 2018.....		10
COMMERCE CLASS OF 2019.....		2,776
COMMERCE CLASS OF 2020.....		152
COMMERCE CLASS OF 2021.....		269
COMMERCE DRAMA CLUB.....		142
COMMERCE FOOTBALL CLUB.....		369
COMMERCE GSA CLUB.....		293
COMMERCE IB COMMUNITY SERVICE CAS.....		170
COMMERCE JROTC.....		1,620
COMMERCE KEY CLUB.....		11
COMMERCE LITERARY MAGAZINE.....		39
COMMERCE NATIONAL HONORS SOCIETY.....		69
COMMERCE PERFORMING ARTS.....		711
COMMERCE PEER MEDIATION STUDENT MENTORS.....		14
COMMERCE SCHOOL STORE CLUB.....		2,515
COMMERCE STUDENT GOVERNMENT.....		151
COMMERCE TRACK CLUB.....		344
COMMERCE TRACK AND FIELD.....		171
COMMERCE WALKING AND FITNESS CLUB.....		236
COMMERCE YEARBOOK CLUB.....		1,315
PUTNAM ALLIED HEALTH CLUB.....		25
PUTNAM ANIME CLUB.....		260
PUTNAM ART CLUB.....		2,372
PUTNAM BOYS SOCCER.....		577
PUTNAM BOYS BASEBALL CLUB.....		286
PUTNAM BOYS BASKETBALL CLUB.....		1

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF STUDENT ACTIVITY BALANCES – CASH BASIS**

JUNE 30, 2019

PUTNAM BIM CLUB.....	527
PUTNAM BLACK HISTORY MONTH.....	1,395
PUTNAM BOYS' VOLLEYBALL.....	328
PUTNAM BREAST CANCER.....	4,783
PUTNAM CARPENTRY CLUB.....	50
PUTNAM CHEERLEADING.....	440
PUTNAM CLASS OF 2019.....	23,100
PUTNAM CLASS OF 2020.....	37,895
PUTNAM CLASS OF 2021.....	4,097
PUTNAM CLASS OF 2022.....	3,102
PUTNAM EARLY EDUCATION CLUB.....	170
PUTNAM FOOTBALL CLUB.....	88
PUTNAM FFA CLUB.....	432
PUTNAM GIRLS BASKETBALL.....	1,436
PUTNAM GIRLS SOFTBALL CLUB.....	62
PUTNAM GIRLS WHO CODE.....	300
PUTNAM GSA CLUB.....	243
PUTNAM HISTORY/ECONOMICS CLUB.....	166
PUTNAM INTERNATIONAL CLUB.....	172
PUTNAM JROTC.....	2,841
PUTNAM MACHINE TECH.....	96
PUTNAM MUSIC CLUB.....	332
PUTNAM NATIONAL HONORS SOCIETY.....	104
PUTNAM NJROTC CLUB.....	100
PUTNAM PROJECT PURPLE CLUB.....	755
PUTNAM RETAIL CLUB.....	70
PUTNAM SKI & SNOWBOARD CLUB.....	1,376
PUTNAM SKILLSUSA CLUB.....	3,023
PUTNAM STUDENT PARENT CLUB.....	693
PUTNAM SCHOOL STUDENT TRIP.....	35
PUTNAM TRACK CLUB.....	183
PUTNAM VOLLEYBALL CLUB.....	484
CENTRAL HIGH 7 FLAGS CLUB.....	306
CENTRAL HIGH ACADEMIC RECOG CLUB.....	205
CENTRAL HIGH ACTING CLUB 1.....	692
CENTRAL HIGH ACTING CLUB 2.....	586
CENTRAL HIGH ACTING CLUB 3.....	206
CENTRAL HIGH ADVENTURE CLUB.....	309
CENTRAL HIGH AERIE CLUB.....	282
CENTRAL HIGH ANIME CLUB.....	227

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF STUDENT ACTIVITY BALANCES – CASH BASIS**

JUNE 30, 2019

CENTRAL HIGH ART CLUB.....	411
CENTRAL HIGH BOYS BASEBALL CLUB.....	2,316
CENTRAL HIGH BOYS BASKETBALL CLUB.....	25
CENTRAL HIGH BAND CLUB.....	837
CENTRAL HIGH BEST BUDDIES CLUB.....	351
CENTRAL HIGH BOOK CLUB.....	350
CENTRAL HIGH BOYS TRACK.....	82
CENTRAL HIGH BUSINESS CLUB.....	2,885
CENTRAL HIGH CAP AND GOWN.....	23,343
CENTRAL HIGH CHEERLEADING.....	1
CENTRAL HIGH CHRISTIAN CLUB.....	79
CENTRAL HIGH CINEMA CLUB.....	25
CENTRAL HIGH CLASS OF 2020.....	226
CENTRAL HIGH COLOR GUARD.....	49
CENTRAL HIGH COMPUTER.....	50
CENTRAL HIGH DANCE CLUB.....	311
CENTRAL HIGH EARTH ACTION.....	(42)
CENTRAL HIGH ELECTRONICS.....	3
CENTRAL HIGH ENGLISH AP CLUB.....	815
CENTRAL HIGH ENGINEERING CLUB.....	4
CENTRAL HIGH ENGLISH CLUB.....	749
CENTRAL HIGH FASHION CLUB.....	70
CENTRAL HIGH FIELD TRIP CLUB.....	199
CENTRAL HIGH FIELD HOCKEY CLUB.....	39
CENTRAL HIGH FOOTBALL CLUB.....	682
CENTRAL HIGH FOREIGN LANGUAGE CLUB.....	10,364
CENTRAL HIGH FRENCH CLUB.....	1,798
CENTRAL HIGH GIRLS BASKETBALL CLUB.....	12
CENTRAL HIGH GIRLS PE CLUB.....	60
CENTRAL HIGH GIRLS SOCCER.....	1,081
CENTRAL HIGH GIRLS TRACK CLUB.....	148
CENTRAL HIGH GRAPHICS CLUB.....	302
CENTRAL HIGH GREENHOUSE CLUB.....	6
CENTRAL HIGH GSA CLUB.....	1,064
CENTRAL HIGH GUIDANCE CLUB.....	1,756
CENTRAL HIGH HOCKEY CLUB.....	81
CENTRAL HIGH KEY CLUB.....	2,609
CENTRAL HIGH KEY CLUB ROSES.....	9
CENTRAL HIGH LIBRARY CLUB.....	284
CENTRAL HIGH MATH HONORS SOCIETY.....	558

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF STUDENT ACTIVITY BALANCES – CASH BASIS**

JUNE 30, 2019

CENTRAL HIGH MISCELLANEOUS CLUB FUNDS.....	14
CENTRAL HIGH MUSICAL CLUB.....	9,235
CENTRAL HIGH NATIONAL HONORS SOCIETY.....	2,253
CENTRAL HIGH PEER ED CLUB.....	1,344
CENTRAL HIGH RENAISSANCE CLUB.....	425
CENTRAL HIGH ROBOTICS CLUB.....	172
CENTRAL HIGH SCHOOL STORE CLUB.....	4,951
CENTRAL HIGH SCIENCE CLUB.....	500
CENTRAL HIGH SHAKESPEARE CLUB.....	9,981
CENTRAL HIGH SKI & SNOWBOARD CLUB.....	55
CENTRAL HIGH SOFTBALL CLUB.....	1,635
CENTRAL HIGH SPED 1.....	23
CENTRAL HIGH SPED 2.....	88
CENTRAL HIGH SPORTS CLUB.....	1,312
CENTRAL HIGH STEP SQUAD CLUB.....	102
CENTRAL HIGH STUDENT GOVERNMENT.....	3,231
CENTRAL HIGH TEACHING ASIA CLUB.....	121
CENTRAL HIGH THE TALON CLUB.....	230
CENTRAL HIGH TRAVEL CLUB.....	265
CENTRAL HIGH VIDEO PRODUCTION CLUB.....	3,781
CENTRAL HIGH VOCAL CLUB.....	227
CENTRAL HIGH VOLLEYBALL CLUB.....	1,037
CENTRAL HIGH WRESTLING CLUB.....	200
CENTRAL HIGH YEARBOOK CLUB.....	2,010
SCI TECH BOYS BASKETBALL CLUB.....	490
SCI TECH BAND CLUB.....	25,025
SCI TECH SCHOOL BEAUTIFICATION CLUB.....	58
SCI TECH BLACK HISTORY MONTH.....	10
SCI TECH CAP AND GOWN.....	11,836
SCI TECH CHEERLEADING.....	6
SCI TECH CHINESE CLUB.....	49
SCI TECH CHOIR CLUB.....	130
SCI TECH CLASS OF 2015.....	12
SCI TECH CLASS OF 2018.....	14
SCI TECH CLASS OF 2019.....	3,673
SCI TECH CLASS OF 2020.....	1,693
SCI TECH CYBERCAT CROSSFIT.....	15
SCI TECH ELL ACADEMY CLUB.....	404
SCI TECH GIRLS BASKETBALL CLUB.....	160
SCI TECH GIRLS TRACK CLUB.....	640

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF STUDENT ACTIVITY BALANCES – CASH BASIS**

JUNE 30, 2019

SCI TECH GSA CLUB.....	15
SCI TECH GUIDANCE CLUB.....	182
SCI TECH HOSA CLUB.....	272
SCI TECH INTERNATIONAL CLUB.....	50
SCI TECH LIBRARY CLUB.....	9
SCI TECH NATIONAL HONORS SOCIETY.....	174
SCI TECH NJROTC CLUB.....	128
SCI TECH SCHOOL STORE CLUB.....	(397)
SCI TECH SOFTBALL CLUB.....	61
SCI TECH SWIM TEAM CLUB.....	456
SCI TECH VIDEO PRODUCTION CLUB.....	173
SCI TECH VOLLEYBALL CLUB.....	807
SCI TECH WRESTLING CLUB.....	1,269
SCI TECH YEARBOOK CLUB.....	26
SCI TECH YOUNGLIFE.....	388
RENAISSANCE 11TH GRADE EXPEDITION.....	50
RENAISSANCE EIGHTH GRADE.....	250
RENAISSANCE ADVENTURE CLUB.....	9
RENAISSANCE BOYS BASKETBALL CLUB.....	12
RENAISSANCE CHEERLEADING.....	319
RENAISSANCE CLASS OF 2019.....	2,073
RENAISSANCE CLASS OF 2020.....	282
RENAISSANCE CLASS OF 2021.....	160
RENAISSANCE CLASS OF 2022.....	6
RENAISSANCE CREW LEVINE.....	138
RENAISSANCE DRAMA CLUB.....	(496)
RENAISSANCE GIRLS SOFTBALL.....	41
RENAISSANCE GUIDANCE CLUB.....	118
RENAISSANCE HIGH MEADOWS.....	(318)
RENAISSANCE INTENSIVES CLUB.....	(10)
RENAISSANCE LIBRARY CLUB.....	313
RENAISSANCE NATIONAL HONORS SOCIETY.....	1,580
RENAISSANCE SCHOOL STORE CLUB.....	228
RENAISSANCE SCIENCE FAIR.....	961
RENAISSANCE SENIOR PROM CLUB.....	442
RENAISSANCE SIXTH GRADE CLUB.....	1,803
RENAISSANCE SKI & SNOWBOARD CLUB.....	711



**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF STUDENT ACTIVITY BALANCES – CASH BASIS**

JUNE 30, 2019

RENAISSANCE STUDENT ACTIVITIES CLUB.....	175
RENAISSANCE SKI & SNOWBOARD CLUB.....	47
RENAISSANCE VOLLEYBALL CLUB.....	152
RENAISSANCE YEARBOOK CLUB.....	4
STEM 5K STUDENT ACTIVITY.....	1,704
STEM INTERNATIONAL CLUB.....	201
STEM STUDENT ACTIVITIES CLUB.....	1,306
SOUTH END STUDENT ACTIVITIES CLUB.....	2,411
CHESTNUT TAG BAND CLUB.....	1,205
CHESTNUT TAG SCHOOL STORE CLUB.....	2,115
CHESTNUT TAG STUDENT COUNCIL.....	279
CHESTNUT TAG STUDENT GOVERNMENT.....	3,148
CHESTNUT TAG TRAVEL CLUB.....	81
CHESTNUT TAG YEARBOOK CLUB.....	817
DUGGAN EIGHTH GRADE.....	432
DUGGAN NAT'L JUNIOR HONOR SOCIETY.....	404
DUGGAN SPANISH CLUB.....	805
DUGGAN STUDENT COUNCIL MIDDLE SCH.....	314
DUGGAN YEARBOOK CLUB.....	869
FOREST PARK EIGHTH GRADE.....	851
FOREST PARK SCHOOL STORE CLUB.....	306
FOREST PARK YEARBOOK CLUB.....	43
KENNEDY STUDENT COUNCIL.....	311
KENNEDY YEARBOOK CLUB.....	178
KILEY EIGHTH GRADE.....	100
CONSERVATORY ANIME CLUB.....	259
CONSERVATORY ART CLUB .....	48
CONSERVATORY CLASS OF 2020.....	591
CONSERVATORY CLASS OF 2021.....	297
CONSERVATORY CLASS OF 2022.....	297
CONSERVATORY KINDNESS KICKSTARTERS.....	511
CONSERVATORY STUDENT COUNCIL.....	72
CONSERVATORY YEARBOOK CLUB.....	440
UNKNOWN VARIANCE.....	12,727
	12,727
 TOTAL STUDENT ACTIVITY BALANCES.....	 \$ 296,906
	296,906

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF ACTIVITIES – CASH BASIS**

FOR THE YEAR ENDED JUNE 30, 2019

Receipts:	
Student activities.....	\$ 434,520
Disbursements:	
Student activities.....	(408,342)
Voids/Reversals/Transfers, Net:	
Student activities.....	(2,263)
Increase (decrease) in student activity balances.....	23,915
STUDENT ACTIVITY BALANCES AT BEGINNING OF YEAR.....	272,991
STUDENT ACTIVITY BALANCES AT END OF YEAR.....	\$ 296,906

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF RESULTS**

FOR THE YEAR ENDED JUNE 30, 2019

**SECTION I - ADMINISTRATION**

**Review School Committee Policy and Procedures**

DESE Guideline

- A. The School Committee should adopt policies and procedures for the creation, operation, control and public reporting of student activity accounts. These policies should be reviewed periodically and amended when necessary. The accounts by statute are the responsibility of the school principal and thus it is the direct responsibility of the principal to ensure that the statute, School Committee policies, and administrative procedures are fully adhered to in all aspects of operating student activity accounts.

Agreed Upon Procedures

1. Inquire and obtain evidence suggesting that policies have been adopted by the School Committee. Evidence should be included in School Committee minutes through a School Committee vote.
2. Review formal policies and procedures and determine if they are effective; consider the following:
  - a. Policies must require adequate internal control to ensure protection of student monies.
  - b. Policies must be complete and satisfy MGL.
  - c. Policies must only govern student activity money and not money that is governed under other MGL.
  - d. Procedures should be developed that support policy and provide for segregation of duties.
  - e. Policies and procedures must be updated when applicable.

Result

The procedures were performed without exception.

**Authorization of Student Accounts**

DESE Guideline

- B. Although not required, it is good practice for the School Committee to approve each student activity annually. This should be done before the start of the school year unless activities are new and created during the year. The approval should include specific funding sources and objective/mission for each activity.

Agreed Upon Procedures

Obtain a listing of each active student activity and inquire if each student activity has been approved annually by the School Committee or if new, was approved during the year. Evidence should be included in the School Committee minutes through a School Committee vote.

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF RESULTS**

FOR THE YEAR ENDED JUNE 30, 2019

Result

The procedures were performed with the following exception:

The School Committee does not approve each student account activity annually as their attorney advised them that was not necessary. The approval process as documented in the School's Manual requires the completion of a "Request Form for Recognition of a Student Activity. Once completed, this form is then approved by the Chief Schools Officer and Superintendent or his designee.

**Appropriateness of Student Activity Accounts**

DESE Guideline

- C. 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. In addition, funds belonging to staff through sunshine funds or vending machines or other activities not related to the students may not be deposited in the student activity account.

Agreed Upon Procedures

Obtain a listing of each active student activity. From this list, determine source of funding and objective of each student activity. Evaluate if funds have been properly deposited into the student activity account or if funds are more appropriately classified as revolving, gift, grant or other type of fund.

Result

The procedures were performed without exception.

**Accounting System for Student Activity Funds**

DESE Guideline

- D. An accounting system for the student activity funds must be implemented and in a sufficient manner to facilitate basic reconciliation and control procedures. An accounting system may be an off-the-shelf accounting application, a properly designed electronic spreadsheet or for smaller student activity accounts, a manual system. The determination of the appropriate accounting system will vary school by school based on a variety of factors including volume and frequency of student activity transactions and the skills of those in charge with administering the day-to-day accounting for student activities.

Agreed Upon Procedures

- 1. Through inquiry and observation, verify that the accounting system used for the student activity funds will facilitate the following:

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF RESULTS**

FOR THE YEAR ENDED JUNE 30, 2019

- a. Accurate recording and reporting of cash receipts and disbursements by each student activity fund in the school student activity ledgers;
- b. Recording of a general cash and/or investment account that can be reconciled with the bank checking account for student activity maintained by the Principal, combined with the agency savings account maintained by the City/Town/District Treasurer; and
- c. General cash and/or investment accounts in aggregate can be reconciled to the aggregate detailed fund accounts within the student activity fund recorded for and held by each student activity.

Result

The procedures were performed with the following exception:

We noted that there was an unreconciled variance between the student activity account balances and the reconciled bank balance in the amount of \$11,977 at the beginning of the year and \$12,727 at the end of the year. The SPS has been unable to specify the cause of the variance.

Corrective Action

Reconciliations to the bank statement are performed by the City Treasurer. SPS does not have access to these accounts.

**Training for Student Activities**

DESE Guideline

- E. The qualifications of the individuals involved with processing, recording and reporting student activity account transactions is adequate, and an ongoing process of training is in place to ensure that these individuals maintain the required level of skills to possess such duties.

Agreed Upon Procedures

1. Through inquiry, determine if all individuals who process, record, and report student activity transactions possess the skills necessary to perform the duties in an adequate manner.
2. Through inquiry, determine if there is an ongoing process of training in place.

Result

The procedures were performed with the following exception:

We noted that student activity training has not taken place for the current advisors of Commerce High School.

Corrective Action

SPS has provided student activity training for Commerce High School including guidance for advisors.

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF RESULTS**

FOR THE YEAR ENDED JUNE 30, 2019

**SECTION II - STEWARDSHIP AND CUSTODIAL RESPONSIBILITY**

**School Committee Votes**

DESE Guideline

- A. Section 47 of Chapter 71 of MGL as amended by Chapter 66 of the Special Acts of 1996, requires that once the School Committee has accepted the provisions of this law, an agency account must be set up by the City/Town/District Treasurer. These are generally established as an interest bearing savings account, and, if authorized by the School Committee, a checking account which acts as an imprest (replenishment) account to be administered by the School Principal.

Maximum checking account fund levels are established and annually voted on by the School Committee.

All deposits for fund raising and other student activities must be deposited in the agency account with the City/Town/District Treasurer. Disbursements may be made from either account.

Agreed Upon Procedures

1. Determine if the School Committee has accepted the provisions of Section 47 of Chapter 71 of MGL; evidence should be included in School Committee minutes through a School Committee vote or obtain certification of vote.
2. Determine that all student activity deposits are made to an agency account maintained by City/Town/District Treasurer.

Result

The procedures were performed without exception.

**Bond for Faithful Performance**

DESE Guideline

The Principal or their designee who are designated to operate and control the student activity checking account shall give bond for faithful performance to the municipality or district in such amount as the City/Town/District Treasurer shall determine to secure the Principal's faithful performance of their duties in connection with such account. Annually, the School Committee should authorize any such designees and ensure bond coverage.

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF RESULTS**

FOR THE YEAR ENDED JUNE 30, 2019

Agreed Upon Procedures

Determine if the School Principal and/or their designee (if applicable) have given bond to the City/Town/District Treasurer for faithful performance, and that all designees have been properly authorized by the School Committee.

Result

The procedures were performed without exception.

**Annual Audit of Student Activities**

DESE Guideline

There shall be an annual audit of the student activity funds which shall be conducted in accordance with procedures as agreed upon between the School Committee and the auditor based upon guidelines issued by ESE. In addition, ESE recommends the audit be performed by an outside independent audit firm once every three years for those with activities greater than \$25,000. In the intervening years, the audit may be conducted by a responsible individual independent of the student activities, with the approval of the School Committee. Such an individual could be the Town Accountant, who already has audit powers under MGL Chapter 41 the Treasurer, or the School Business Manager if the School Business Manager is not involved in the administration or transactional processing of the student activities.

Agreed Upon Procedures

Determine if the annual audits have been performed, either by an outside independent audit firm or as is permissible, internally. Evidence of this may be obtained from reports developed as a result of the process.

Result

The procedures were performed without exception.

**SECTION III - GENERAL OPERATING PROCEDURES**

**Bank Reconciliations**

DESE Guideline

- A. Bank reconciliations must be done at least quarterly (preferably monthly). A copy of the bank reconciliation should be sent to the School Business Administrator, School Committee, student officers, and City/Town/District Treasurer. Sign-offs must be performed by preparers and reviewers.

**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF RESULTS**

FOR THE YEAR ENDED JUNE 30, 2019

Agreed Upon Procedures

Through inquiry, observations, and review of sample bank reconciliations, determine if bank reconciliations are prepared at least quarterly and sent to the appropriate parties for review; and that sign-offs by both preparer and reviewer are included in the process.

Result:

The procedures were performed without exception.

**Standardized Forms for Deposits and Disbursements**

DESE Guideline

Standardized forms should be used for deposits and disbursements whenever possible.

Agreed Upon Procedures

While gaining an understanding of the internal control processes in place, determine if standard forms for deposits and disbursements are used.

Result

The procedures were performed without exception.

**Periodic Reporting Timeline**

DESE Guideline:

The School Committee and School Business Administrator should establish periodic reporting timelines. Financial reports should be created and submitted in accordance with those guidelines to the School Committee, School Business Office, Town Accountant, Treasurer and the individual student activity class/club advisors.

Agreed Upon Procedures

Through inquiry and analysis, determine if a requirement for the preparation and periodic submission to the School Committee, School Business Office, Town Accountant, Treasurer and the student activity class/club officers of financial reports exists; and if such policy is adhered with.

Result

The procedures were performed without exception.



**SPRINGFIELD PUBLIC SCHOOLS  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF RESULTS**

FOR THE YEAR ENDED JUNE 30, 2019

**Maintain Individual Subsidiary Accounts**

DESE Guidelines

The School Principal shall maintain individual subsidiary accounts by program within the student activity control account. This will allow proper matching of program expenditures against revenues that are collected for that purpose as well as allow for the efficient determination of the program balance.

Aggregate subsidiary account balances should be reconciled no less than quarterly to the total control account.

Total control account balances should be reconciled no less than quarterly to the aggregate total of the School Principal's reconciled checking account and the agency account maintained by the Treasurer.

Agreed Upon Procedure:

Through inquiry and analysis, determine if subsidiary student activity account detail is maintained and if the aggregate of the subsidiary accounts are reconciled to the control account on a monthly basis.

Result:

The procedures were performed without exception.

**SECTION IV - REVENUE, RECEIPTS AND DEPOSITS**

**Develop Revenue, Receipts and Deposit Policies and Procedures**

DESE Guidelines

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.

DESE recommends strict procedures for control of all receipts and should include at a minimum, the following controls:

- Receipts generated from the sale of a high volume product such as the yearbook or admission to a highly attended event like the prom or other dance or ball, should be controlled through the use of pre-numbered receipts.
- A reconciliation process should be in place whereby pre-numbered receipts, tickets, attendance logs or other revenue source documents are reconciled to cash collected for particular activities prior to making a deposit in the bank. In the situation where it is impractical to use source documents, two people should count the cash and sign off on the process.

**SPRINGFIELD PUBLIC SCHOOLS  
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FOR THE YEAR ENDED JUNE 30, 2019

- The cash collection and deposit function should be segregated from the accounting and recording function.
- All student organizations receiving monies from any source should turn over such money to the School Principal or the Principal's designee within twenty-four hours from receipt of such funds. (If received on the weekend, then on the first business day after receipt of the funds.)
- Any money not deposited on the same day must be kept overnight in a locked vault, safe, or other secured locked area - under no circumstance, should student activity monies be taken home overnight.
- All money turned over to the school by a student organization shall be accompanied by a school deposit slip stating the source of the monies, the amount being deposited, and signed by the person turning over the money to the office. If turned in by a student, this should be co-signed by the group advisor or a teacher, who should also keep a duplicate of the deposit slip.
- The School Principal or the Principal's designee should deposit into the agency account all monies received from student activity organizations at a minimum on a weekly basis. Written evidence of receipt should be obtained from the City/Town/District Treasurer.
- An ongoing philosophy of the importance of handling money with care, honesty, and accuracy should be conveyed to the students, advisors and teachers through roundtable meetings and educational trainings.
- Money collected for purposes other than student activities shall not be deposited into the student activity account and must be handled by the MGL that governs its administration.
- Any monies paid to the school or to a student activity as commissions or revenue sharing belong to the students and shall be deposited into the student activity agency account. Such funds shall be expended for the benefit of the students in accordance with School Committee policies and may not be spent to benefit the staff or to supplement the school budget.
- A policy must be adopted by the School Committee that specifies how any other undesignated receipts will be distributed and such receipts must be deposited into the student activity agency account. No student activity revenues will be deposited into the School Principal's checking account.

Agreed Upon Procedures

Through inquiry of the School Principal or their designee, document the process by which receipts are administered in order to gain an understanding of the internal control process in place.

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Result

Our detailed testing of the Student Activity Accounts for the year ended June 30, 2019 included the following accounts:

1. Central Cap & Gown
2. Central Football Club
3. Central Student Government
4. Commerce Class of 2019
5. Commerce JROTC
6. Putnam Class of 2019
7. Putnam Class of 2020
8. Renaissance Senior Prom Club
9. Science and Technology Class of 2019

The procedures were performed with the following exceptions:

- For Central High School, we noted the following:
  - Five (5) instances out of fourteen (14) totaling \$8,365 in which funds were deposited greater than one week from the collection date.
  - Two (2) instances out of fourteen (14) totaling \$2,750 in which funds were turned over to the Treasurer greater than twenty-four (24) hours from the collection date.
- For Commerce High School, we noted the following:
  - Four (4) instances out of seventeen (17) totaling \$11,206 in which funds were deposited greater than one week from the collection date.
  - Fourteen (14) instances out of seventeen (17) totaling \$32,595 in which funds were turned over to the Treasurer greater than twenty-four (24) hours from the collection date.
- For Putnam Vocational Technical High School, we noted the following:
  - Two (2) instances out of twenty (20) totaling \$9,996 in which funds were turned over to the Treasurer greater than twenty-four (24) hours from the collection date.
- For the High School of Science and Technology, we noted the following:
  - One (1) instance out of six (6) totaling \$3,646 in which funds were deposited greater than one week from the collection date.
  - One (1) instance out of six (6) totaling \$1,975 in which funds were turned over to the Treasurer greater than twenty-four (24) hours from the collection date.

Corrective Action

SPS, in collaboration with the City Treasurer, will continue to communicate and provide training on the City's cash receipt and turnover policy to individuals involved with student activities.

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FOR THE YEAR ENDED JUNE 30, 2019

**SECTION V - PURCHASING AND DISBURSEMENTS**

**Develop Purchasing and Disbursement Policies and Procedures**

DESE Guidelines

MGL 71, Section 47 gives the responsibility for the establishment of student activity accounts to the School Committee and the enforcement of School Committee policies to the School Principals; such is the case with purchasing and disbursements. It is important that disbursement policies are sound, controlled, and designed to benefit only the students.

In order to accomplish this goal, ESE recommends the following at a minimum are in place:

- Advance of funds should be avoided whenever possible. If it is anticipated that an advance is necessary, prior written approval must be obtained from the School Principal.
- Equipment and supplies purchased with student activity funds are the property of the student activity groups and not any individual student or other organization. Equipment and supplies purchased with student activity funds should be used exclusively for co-curricular student activities and not for the general use of School operations.
- Student advisors, or others involved in purchasing, may not benefit personally from any purchasing – either directly or indirectly.
- Student activity funds may not be used for any purpose unrelated to student activities or for the benefit of any staff person.
- All disbursements shall be made by check.
- The policy adopted by the School Committee should specify the method or methods to be used to pay for expenses, including how to handle the reimbursement of funds when personal credit cards are used. (This is important because of the potential “reward” benefits the credit card holder may accrue).
- Disbursements exceeding \$600 in aggregate to any one individual or entity must be reviewed to determine if a Form 1099-MISC. is required. Process should be coordinated with the Town Accountant or Treasurer to ensure compliance.
- Checks may not be written to cash.
- Checks shall be signed only after they are completely prepared.
- Check signature authority shall be in accordance with School Committee policy. Consideration should be given to require two signatures for individual disbursements made over a certain dollar amount

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- Individuals responsible for writing checks should be segregated from the record keeping and reconciliation process; or assurances should be made that other mitigating controls are in place such as a monthly review of all activity by an independent responsible individual.
- All disbursements are required to have adequate external supporting documentation such as a vendor invoice, bill contract or receipt.
- A record of all checks will be maintained, including void checks. Numerical order of checks should be retained.
- Checkbook reconciliations should be performed monthly.
- A standardized form should accompany all requests for check issuance.
- The standardized form shall be accompanied by the supporting documentation and must state to whom the check shall be payable, the reason for the payment, the amount of the check, the student activity account to be charged, and the approval signature of the advisor or student officer.
- All requests for replenishment to the School Principal imprest checking account must be adequately supported and processed through the City/Town/District accounts payable warrant process.

Agreed Upon Procedures

Through inquiry of the School Principal or their designee, document the process by which disbursements are administered in order to gain an understanding of the internal control process in place.

Result

The procedures were performed without exception.

**SECTION VI - CLASS, INACTIVE ACCOUNTS AND DEFICITS**

**School Committee Policies for Disposition of Class Accounts**

DESE Guidelines

It is DESE's opinion that, because graduates are no longer students, monies for student class grades that have graduated cannot be legally maintained in student activity accounts. DESE recommends that the School Committee approve a policy that specifies how these funds shall be disposed of upon a class' graduation. Notification of the manner of disposition should be given to the class officers and all students who contribute to the class accounts. Such policy should specify how long the class account should remain active after graduation (i.e. 90 to 180 days after graduation to permit the school to pay all class obligations). After the waiting period, the policy should specify if and how the remaining funds will be

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transferred to the graduates, if the funds will revert to other student activity groups (such as the incoming senior class), or other specific disposition instructions.

Agreed Upon Procedures

1. Through review of School Committee policies, determine the policy for disposition of class accounts.
2. Obtain listing of all individual student activity accounts and scan the listing for class accounts for students who have already graduated.
3. Determine if disposition is in accordance with School Committee policies.

Result

The procedures were performed with the following exceptions:

The following accounts still had balances after the ninety-day (90) waiting period after graduation:

- Commerce Class of 2018
- Sci Tech Class of 2015
- Sci Tech Class of 2018

Corrective Action

SPS has implemented a process to ensure compliance.

**School Committee Policies for Disposition of Inactive Accounts**

DESE Guidelines

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 require the following actions in order to be closed:

- 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.

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FOR THE YEAR ENDED JUNE 30, 2019

Agreed Upon Procedures

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

Result

The SPS's policy as documented in the student activity manual follows the recommendations stated above.

**School Committee Policies for Deficit Balances**

DESE Guidelines

Individual activity accounts should not be permitted to be in a deficit position because such a position becomes a liability to other individual activities or possibly to future classes. ESE recommends that the School Committee develop a policy for remedial action whenever a deficit not resulting from timing exists.

Possible remedial action could include funding from the following sources:

- School Committee appropriation;
- Accumulated investment earnings;
- Surpluses of inactive accounts;
- Gift from an activity with a surplus balance through approval of the advisor; or
- Any other legal means.

Agreed Upon Procedures

1. Through review of School Committee policies, determine the policy for the remediation of individual student activity deficit balances and its reasonableness.
2. Obtain listing of all individually listed student activity accounts. Scan listing for accounts and determine if any have deficit balances.
3. Determine if disposition of deficit balances is in accordance with School Committee policies.

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Result

We have performed the procedures with the following exceptions:

The following accounts were in a deficit position as of June 30, 2019:

- Renaissance Drama Club
- Renaissance High Meadows
- Renaissance Intensives Club
- Central High Earth Action
- Sci Tech School Store Club

Corrective Action

SPS has implemented a process to ensure compliance.

**SECTION VII - STUDENT TRAVEL**

**Enhance Student Travel Policy and Authorization Forms**

DESE Guidelines

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 travel policy:

- A request for travel authorization and funding must be prepared well in advance of the time the funds are needed.
- The request should be submitted by the advisor or other person responsible for the activity trip; furthermore, the request should be approved by the School Principal in accordance with policy established by the School Committee.
- Travel Authorization Forms should contain at least the following: date of request, date funds needed, destination and purpose of trip, estimated departure and return times, number of persons traveling, estimate of cash required for tips and other various sundry items, estimate of expenses, signature of person requesting authorization, signature of person authorizing the request, check number and date of payment, and signature of the School Principal.
- The approved travel authorizations are to be submitted to the School Principal or their designee to ascertain that sufficient funds are available.
- Approved Travel Authorization Forms should remain in a pending file until final accountability for the trip has been completed.



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- The policy adopted by the School Committee should specify the method or methods to be used to pay travel expenses, including how to handle the reimbursement of funds when personal credit cards are used. (This is important because of the potential “reward” benefits the credit card holder may accrue).
- 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 Procedures

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

Result

The procedures were performed without exception.