



# Manchester-Shortsville Central School District

## "Red Jacket Schools"

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December 4, 2018

To the Board of Education  
RE: Corrective Action Plan Extraclassroom Audit

The annual, independent audit report for the extraclassroom accounts prepared for the Board of Education by Raymond Wager, CPA, was provided to the Board of Education for study. The audit contains statements for the year ending June 30, 2018. The report is a positive one. The recommendations have been addressed as follows:

### **Current Year Deficiencies in Internal Control:**

#### **Sales Tax –**

Our examination revealed the Elementary Yearbook Club paid sales tax to the vendor for the purchases of yearbooks.

We recommend every effort continue to be made to issue resale certificates (form ST-120) to vendors when making purchases of merchandise intended for resale and to collect sales tax upon the resale of the merchandise.

**Corrective Action: The District will discuss the process for making purchases of merchandise intended for resale and to collect sale tax upon the resale of the merchandise with the Elementary Yearbook Club and all clubs. The District will also make sure the Elementary Yearbook Club has additional copies of form ST-120 in case the ones provided have been misplaced.**

#### **Profit and Loss Statement –**

During the course of our examination, we noted that some items listed on the profit and loss statement prepared by the RJ Music Club could not be clearly traced to the general ledger.

We recommend all items included on the profit loss statements prepared should be traceable to the general ledger maintained by the Central Treasurer.

**Corrective Action: The District will discuss with the RJ Music Club that all items listed on the profit and loss statement need to be clearly traceable to the general ledger maintained by the Central Treasurer.**

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## **Mission**

*We will challenge all learners and work in partnership with students, parents and community to achieve high standards.*