



**Rye Neck Union Free School District  
Review of Private  
Purpose (TE) Funds  
June 30, 2019**

June 30, 2019  
The Audit Committee  
Board of Education  
Rye Neck Union Free School District  
310 Hornridge Road  
Mamaroneck, New York 10543

***Re: Review of Private Purpose (TE) Funds***

Dear Members of the Committee and the Board,

We have completed our review of the Private Purpose Funds Special specifically the TE fund as respects to Elementary School Class Trips.

***Procedures employed to review Private Purpose Fund activity (deposits and disbursements)***

The objective of this review was to document procedures in place in the collection deposits and disbursement of monies within the Private Purpose Funds.

General Ledger information was provided by Ms. Carolyn Mahar, District Treasurer and Mary Beebe-Harrison accounts payable clerk.

***Results of our review***

We have documented these procedures as part of the annual Risk Assessment update. We have met with District personnel to review our observations and recommendations. We have always found the District to be receptive of recommendations made as it continues to strive for improvement in all areas of operation.

***Closing***

We continue to appreciate the cooperation and assistance that we receive from the District's Business Office personnel. We are available to discuss the content of this report, or the District in general, at your convenience

Very truly yours,



June 30, 2019

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## Private Purpose Trust (TE) Fund

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### **Outline**

Among the various funds maintained by a School District are Fiduciary Funds. One of these types of funds is a "Private Purpose Trust Fund" or "TE" fund. "TE" funds, as defined by the School Districts Accounting and Reporting Manual, published by the NYS Comptrollers' office, are *"accounts for trust arrangements under which principal and income benefit individuals, private organizations or other governments. A scholarship is an example of a Private-Purpose Trust Fund"*.

The TE fund maintained and reconciled by Mary Beebe Harrison (accounts payable clerk). The TE fund is utilized by the District to facilitate many designated and previously approved purposes among which are;

- Superintendent Student Fund
- Blue Ribbon Scholarships
- Various endowed scholarship funds
- High School musical
- AP exam fees
- Daniel Warren Elementary bus/field trip fees
- F.E. Bellows Elementary bus/field trip fees

With the exception of the funds used for bus/field trip purposes these funds are generally collected and disbursed once a year, towards the end of the school year.

Three forms are used to administer these accounts and are attached;

#### **Form 1 – Rye Neck Event Deposit**

Submitted to the business office with monies collected related to events such as but not limited to scholarships, door receipts from school plays and exam fees.

#### **Form 2 – Rye Neck Elementary School Class Trips – Deposit form**

Submitted to the business office with monies collected in the elementary schools for bus and admission fees collected for class trips.

#### **Form 3 – Rye Neck Elementary School Class Trips – Check request form**

Submitted to the business office at least 3 days prior to date check needed, identifying the payment amount, payee, sub-account to be used from which to draw payment, trip date, destination number of students and cost per student.

Deposit slip forms are completed at the building level and signed by the district employee responsible for the trip/event. The deposit forms are reviewed and agreed by the business office and a copy returned to the preparer.

Check request forms are signed by the district employee responsible for the trip/event and submitted to the business office for payment.

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## **Private Purpose Trust (TE) Fund**

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For purposes of this review the activity in the Elementary School bus trip sub-accounts was reviewed. Mary Beebe-Harrison maintains an excel spreadsheet detailing the activity by grade and trip within the sub-account for each school's bus trip accounts maintained in the District ledger.

The excel spreadsheet (attached) the amounts deposited for each field trip by date, and the staff person initiating the deposit. The spreadsheet also lists in detail the checks prepared, by date, for disbursement for each trip and the respective payee.

The information on the excel spreadsheet is reconciled to the General Ledger detail quarterly during the year and monthly during the last quarter as frequency of transactions increases towards the end of the school year.

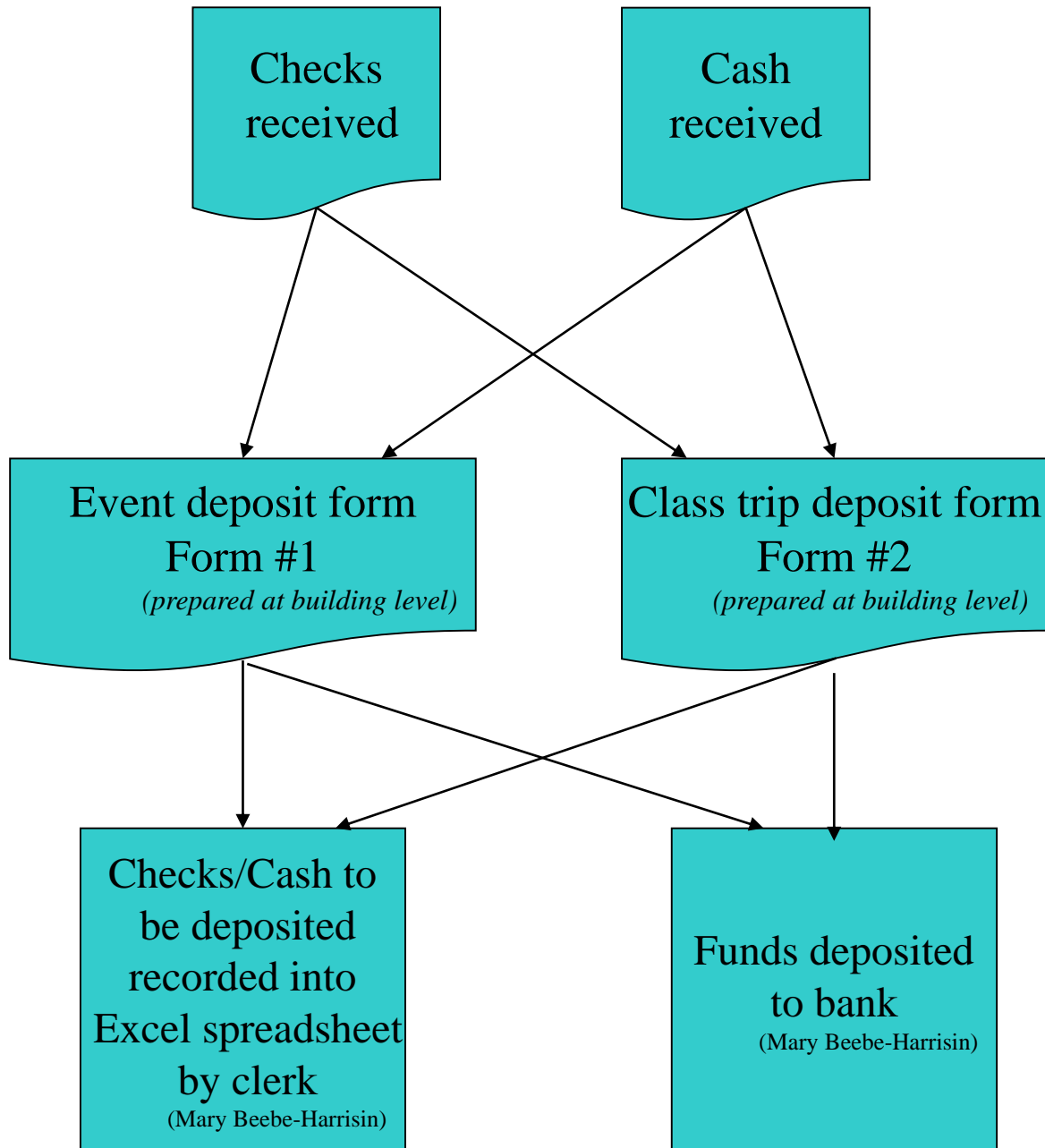
There are surplus balances that have been built over time as the monies collected for field trips is generally higher than the actual need as estimates are often used for costs when determining the student cost of the trip and a "cushion" is built in to insure that there are sufficient funds available to pay for the trip. This surplus is often used to fund other minor end of school year activities such and class lunches etc. These funds are also used to cover the cost of students who cannot afford the cost of the trip.

# Private Purpose Trust (TE) Funds

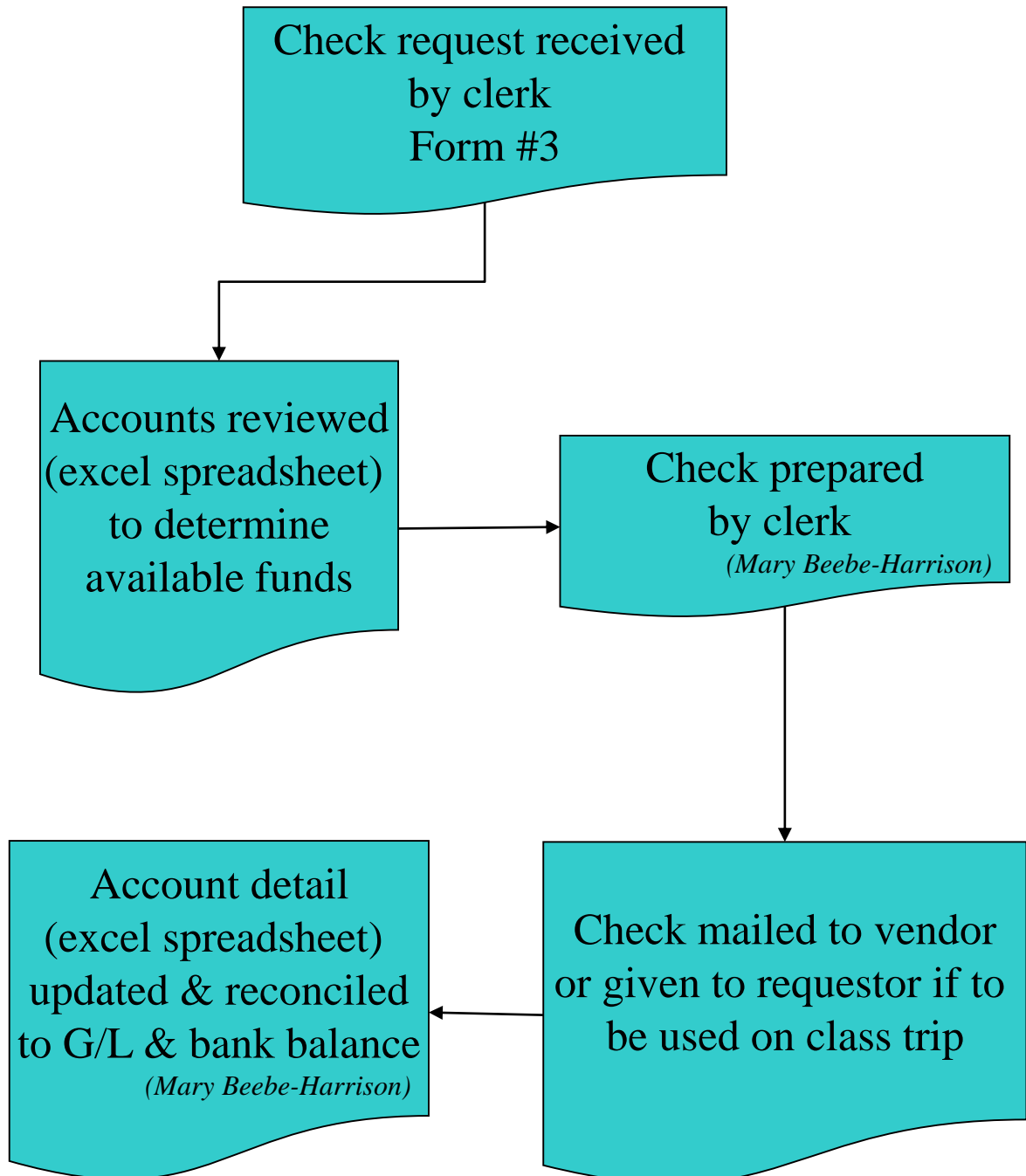
## Internal Control Review and Flow-Chart Documentation

June 30, 2019

# Incoming Checks and Cash



# Disbursement of funds



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## Private Purpose Trust (TE) Fund

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### ***Observations and recommendations***

#### TE Funds:

*Observation:* The District receives funds for scholarships and awards from organizations not controlled by the District for the purpose of writing checks to the recipients/beneficiaries. These scholarships and awards are distributed during end of school year events such as graduations and award assemblies. The District does not determine who is to receive these awards. The District is acting solely as a disbursing agent for these funds as an accommodation to the granting organization.

*Recommendation:* It is recommended that District refrain from providing this “service” and request that the organizations write the checks themselves for distribution to the recipients. The District has no control over who receives these awards and the possibility for unwanted scrutiny exists as the checks are being disbursed from a District account.





# RYE NECK ELEMENTARY SCHOOL CLASS TRIPS

## Deposit to student account

Please bring this completed, signed form with your checks and cash to the Treasurer at the Business Office at 310 Hornidge Road to be deposited into the class account.

Date: \_\_\_\_\_

Money deposited to account: \_\_\_\_\_

### If this is for a field trip, please complete below:

Date of trip: \_\_\_\_\_

Destination: \_\_\_\_\_

# Students: \_\_\_\_\_

Cost per student: \$ \_\_\_\_\_

COIN	NUMBER	SUBTOTAL
\$1.00		
\$0.50		
\$0.25		
\$0.10		
\$0.05		
\$0.01		
TOTAL		

CURRENCY	NUMBER	SUBTOTAL
\$100		
\$50		
\$20		
\$10		
\$5		
\$1		
TOTAL		

CHECK AMOUNT	NUMBER	SUBTOTAL
TOTAL CHECKS		

TOTAL DEPOSIT \$ \_\_\_\_\_

Signature: \_\_\_\_\_

Print name: \_\_\_\_\_

For office use only: \_\_\_\_\_

Received by business office \_\_\_\_\_ DATE \_\_\_\_\_

SIGNATURE

4/2/2019

**Form #2**

# RYE NECK ELEMENTARY SCHOOL CLASS TRIPS

## Check request from student account

Please complete all information, sign at the bottom and send to the business office, ATTN: Mary Beebe-Harrison.

Allow at least 3 school days to receive your check in the inter-office mail.

If you want the check mailed please put the address in the "NOTE" area below.

If this is a reimbursement please attach receipts.

DATE: \_\_\_\_\_

Check amount: \$ \_\_\_\_\_

Check payable to: \_\_\_\_\_

Money is coming from account: \_\_\_\_\_

If this is for a field trip, please complete below:

Date of trip: \_\_\_\_\_

Destination: \_\_\_\_\_

# of students: \_\_\_\_\_

Cost per student: \$ \_\_\_\_\_

NOTE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Teacher/advisor signature: \_\_\_\_\_

Print name: \_\_\_\_\_

Business office use: CHECK # \_\_\_\_\_

**RYE NECK UFSD**

Trial Balance Report From 7/1/2018 - 6/30/2019



Account	Description	Debits	Credits
TE 200	T & A CHECKING ACCOUNT	159,881.87	0.00
TE 70B	SUPT STUDENT FUND	0.00	32,417.57
TE 81A	MUSIC - NYSSMA	0.00	1,740.68
TE 92	BLUE RIBBON SCHOLARSHIPS	0.00	20,000.00
TE 92A	PATTY ALOISI GIBBS SCHOLARSHIP	0.00	1,173.94
TE 92H	STUDENT AID FUND	0.00	250.00
TE 92R	ORLANDO A CIRACO MEMORIAL	0.00	50.76
TE 92U	NAT CAROLINI SCHOLARSHIP FUND	0.00	4,365.69
TE 92V	MICHAEL P. CANNO FAMILY AWARD	0.00	4,050.00
TE 93	HIGH SCHOOL - MISC	0.00	8,600.90
TE 93D	ATHLETICS	0.00	5,039.42
TE 93J	AP EXAMS	0.00	60,772.00
TE 95B	BELLOWS - MISC	0.00	335.67
TE 95B-BT	BELLOWS BUS TRIPS	0.00	11,073.04
TE 95D	DANIEL WARREN - MISC	0.00	2,807.22
TE 95D-BT	DANIEL WARREN BUS TRIPS	0.00	7,068.15
TE 980	REVENUES	0.00	136.83
<b>TE Fund Totals:</b>		<b>159,881.87</b>	<b>159,881.87</b>
<b>Grand Totals:</b>		<b>159,881.87</b>	<b>159,881.87</b>

**General Ledger Report – TE Fund**

TE ELEMENTARY SCHOOL ACCOUNTS - DANIEL WARREN July 1, 2018 - June 30, 2019												
ACCOUNT NAME	Date of Trip	Deposit Received From	Date of Deposit	Deposit Amount	Deposit-Cash Receipt #	Expensed Amount	Vendor Name	Check Date	Check Number	Check NOTES		
<b>KINDERGARTEN-TE95D-BT</b>												
Sheldrake Environmental Center	10/22 & 10/23/18	Gretchen Oaks David	10/3/2018	\$1,590.00	15982	\$349.16	County Coach Corp	11/15/2018	5028	check mailed to vendor		
Sheldrake Environmental Center	10/22 & 10/23/18	Gretchen Oaks David	10/22/2018	\$60.00	16006	\$224.46	County Coach Corp	11/15/2018	5028	check mailed to vendor		
						\$1,125.00	Sheldrake Environmental Center	1/9/2019	5041	check mailed to vendor		
The Emelin Theatre	12/10/2018	Connie Levin	11/20/2018	\$2,380.00	16048	\$1,325.00	The Emelin Theatre	11/29/2018	5034	check mailed to vendor		
The Emelin Theatre	12/10/2018	Connie Levin	12/4/2018	\$80.00	16073	\$748.20	County Coach Corp	12/19/2018	5038	check mailed to vendor		
		redeposit check-Danielle Mercurio	11/29/2018	\$20.00	16062	\$20.00	returned check-Danielle Mercurio					
		redeposit check-PeilingLue	1/15/2019	\$20.00	16147	\$20.00	returned check-Peiling Lue					
The Emelin Theatre	3/15/2019	Connie Levin	1/28/2019	\$2,500.00	16159	\$1,325.00	The Emelin Theatre	2/6/2019	5046	check mailed to vendor		
						\$897.84	County Coach Corp	3/27/2019	5053	check mailed to vendor		
Muscocot Farm	5/15,5/17&5/23/19	Katherine Blaney	4/11/2019	\$59.75	16307	\$750.00	Muscocot Farm	4/18/2019	5057	check mailed to vendor		
		Katherine Blaney	4/11/2019	\$2,548.00	16305							
		Katherine Blaney	5/6/2019	\$19.75	16345							
		<b>TOTAL RECEIVED</b>		<b>\$9,277.50</b>								
		<b>TOTAL PAID</b>				<b>\$6,784.66</b>						
		<b>BALANCE</b>			<b>\$2,492.84</b>							
<b>1ST GRADE-TE95D-BT</b>												
Philipsburgh Manor	11/13,11/14&11/19/18	Dawn Drace	10/31/2018	\$2,281.00	16029	\$665.00	Historic Hudson Valley	10/31/2018	5027	check mailed to vendor		
						\$748.20	County Coach	11/29/2018	5032	check mailed to vendor		
						\$374.10	County Coach	12/6/2018	5035	check mailed to vendor		
Emelin Theatre	1/18/2019	Jane Schumer	12/4/2018	\$1,960.00	16072	\$1,180.00	The Emelin Theatre	12/6/2018	5037	check mailed to vendor		
		Jane Schumer	1/28/2019	\$40.00	16158	\$748.20	County Coach Corp	2/6/2019	5044	check mailed to vendor		
Sheldrake Environmental Center	6/3 & 6/4/19	Anna Cortese	4/26/2019	\$2,134.00	16325							
		<b>TOTAL RECEIVED</b>		<b>\$6,415.00</b>								
		<b>TOTAL PAID</b>				<b>\$3,715.50</b>						
		<b>BALANCE</b>			<b>\$2,699.50</b>							
<b>2ND GRADE-TE95D-BT</b>												
Dog Beach	10/1 & 10/2/18	Deena Winchenbach	10/3/2018	\$2,357.00	15983	\$648.44	County Coach Corp	10/25/2018	5023	check mailed to vendor		
						\$1,350.00	Sheldrake Environmental Center	12/19/2018	5039	check mailed to vendor		
		redeposit check-Anike Suzanne Wariebi	10/10/2018	\$18.00	15999							
Tarrytown Music Hall	5/3/2019	Deana Winchenbach	4/3/2019	\$2,199.75	16288	\$1,420.50	Theater Works USA	4/11/2019	5056	check mailed to vendor		
		Deana Winchenbach	4/4/2019	\$160.00	16291	\$20.00	*Nicole Ponticello-mother Charley	4/26/2019	5058	check mailed to parent		
		Deana Winchenbach	5/9/2019	\$560.00								
		Deana Winchenbach	5/10/2019	\$20.00								
		<b>TOTAL RECEIVED</b>		<b>\$5,314.75</b>								
		<b>TOTAL PAID</b>				<b>\$3,438.94</b>						
		<b>BALANCE</b>			<b>\$1,875.81</b>							
							*student not attending trip					
						<b>\$7,068.15</b>						

**TE ELEMENTARY SCHOOL ACCOUNTS - F. E. BELLOWS July 1, 2018 - June 30, 2019**

ACCOUNT NAME	Date of trip	Deposit Received From	Date of		Deposit Amount	Deposit-Cash Receipt #	Expensed Amount	Vendor Name	Check Date	Check Number	NOTES
			Deposit								
<b>3RD GRADE-TE95B-BT</b>											
Rye Nature Center	10/15,10/16&10/17/18	Lori Russo	10/5/2018		\$1,621.00	15988	\$750.00	Friends of Rye Nature Center	10/17/2018	5020	check mailed to vendor
	10/15/2018	Lori Russo	10/10/2018		\$14.00	15991	\$249.40	County Coach Corp	10/25/2018	5024	check mailed to vendor
	10/16/2018						\$249.50	County Coach Corp	11/15/2018	5029	check mailed to vendor
	10/17/2018						\$249.40	County Coach Corp	11/15/2018	5029	check mailed to vendor
Bronx Zoo	6/18/2019	Sara McElroy	4/15/2019		\$154.00	16320	\$2,370.00	WCS Education Department	4/26/2019	5059	check mailed to vendor on 5/2/19
			4/15/2019		\$3,722.00	16308					
			4/17/2019		\$36.00	16319					
		<b>TOTAL RECEIVED</b>			<b>\$5,547.00</b>						
		<b>TOTAL PAID</b>					<b>\$3,868.30</b>				
		<b>BALANCE</b>					<b>\$1,678.70</b>				
<b>4TH GRADE-TE95B-BT</b>											
Museum Village	10/23/2018	Susan Marks	10/19/2018		\$2,240.00	16004	\$1,608.00	Museum Village	10/18/2018	5021	check inter-office to Susan Marks-FEB
		Susan Marks	10/19/2018		\$1,960.00	JE131	\$2,400.00	County Coach Corp	11/15/2018	5029	check mailed to vendor
		Susan Marks	10/22/2018		\$560.00	16005					
		Susan Marks	11/8/2018		\$70.00	16041					
NY Hall of Science	3/26/2019	Janice Tosi	2/15/2019		\$2,450.00	16201	\$1,508.00	New York Hall of Science	2/27/2019	5048	check mailed to vendor
		Janice Tosi	3/15/2019		\$1,855.00	16254	\$2,625.00	County Coach Corp	4/11/2019	5055	check mailed to vendor
		Janice Tosi	3/18/2019		\$35.00	16253					
West Point Tours	6/11/2019	Ellie Speros					\$90.00	West Point Tours Inc	3/27/2019	5054	check mailed to vendor
		<b>TOTAL RECEIVED</b>			<b>\$9,170.00</b>						
		<b>TOTAL PAID</b>					<b>\$8,231.00</b>				
		<b>BALANCE</b>					<b>\$939.00</b>				
<b>5TH GRADE-TE95B-BT</b>											
Dr. Kaboom-Purchase College	1/17/2019	Susan Combs	11/20/2018		\$2,060.00	16047	\$945.00	Purchase College Foundation	11/29/2018	5033	check mailed to vendor
		Susan Combs	11/29/2018		\$260.00	16065	\$972.66	County Coach Corp	1/23/2019	5042	check mailed to vendor
		Susan Combs	11/29/2018		\$20.00	16066					
Museum of Natural History	5/23/2019	Susan Combs	2/15/2019		\$3,920.00	16200	\$40.00	returned check-Erika Sperling			
		Susan Combs	3/1/2019		\$1,400.00	16215	\$1,752.00	American Museum of Natural History	5/14/2019	5060	check interoffice to Susan Combs
Chelsea Piers	6/12/19 & 6/13/19	Susan Combs	3/20/2019		\$2,915.00	16259	\$1,750.00	Lisa Tansley-Jervis	5/14/2019	5063	check mailed to parent
		Susan Combs	4/3/2019		\$2,460.00	16289		Chelsea Piers Connecticut	3/27/2019	5052	check mailed to vendor
		Susan Combs	4/1/2019		\$495.00	16292					
		Susan Combs	4/10/2019		\$370.00	16327					
		Susan Combs	4/11/2019		\$55.00	16306					
		Susan Combs	5/13/2019		\$55.00						
		<b>TOTAL RECEIVED</b>	5060		<b>\$14,010.00</b>						
		<b>TOTAL PAID</b>					<b>\$5,499.66</b>				
		<b>BALANCE</b>					<b>\$8,510.34</b>				
					<b>\$11,128.04</b>						
					<b>-\$55.00</b>						
					<b>\$11,073.04</b>						

3/1/19 Erika \$40check deposited with 3/1/19 \$1400.00

Deposit in Transit