

Parkrose School District
Prescott Elementary
Testing of Student Body Funds
For the year ending June 30, 2014

Objective:

To ensure that Student Body Funds are used appropriately and in compliance with District Student Body Fund guidelines.

Bank Reconciliations

Tests of Controls:

1. Was the reconciliation completed correctly?
2. Was the reconciliation completed timely (within a month of the statement date)?
3. Was the reconciliation reviewed timely?

| Month | Tests | | |
|---------|-------|---|---|
| | 1 | 2 | 3 |
| January | X | X | X |
| March | E1 | X | X |
| April | X | X | X |

E1: Deposits listed as outstanding on the bank reconciliation remained outstanding for several months. Outstanding deposits generally clear within a few days of month end.

Conclusion: Bank reconciliations appear to be completed in accordance with District Student Body Fund Accounting Policies.

Receipts

Tests of Controls:

1. Was a receipt issued for the individual transaction?
2. Was the money deposited timely (generally within a week)?
3. Trace the deposit to the bank.

Sampling Methodology:

Haphazard

| Receipt # | Test | | |
|--------------|------|----|---|
| | 1 | 2 | 3 |
| 1/14 deposit | E2 | E3 | X |
| 269449 | X | X | X |
| 269453 | X | X | X |
| 269441 | X | X | X |
| 269426 | X | X | X |

E2: Receipts were not issued for the individual transaction, but rather for the entire deposit. This is not in accordance with district policy.

E3: Money was not deposited timely.

Conclusion: Receipts appear to be issued and processed in accordance with District policies.

Disbursements

Tests of Controls:

1. Was the check request signed in accordance with District Student Body Fund Accounting Policies?
2. Was the correct general ledger account used?
3. Was the check signed in accordance with District Student Body Fund Accounting Policies?

Sampling Methodology:

Haphazard

| Date | Payee | Check # | Amount | Test | | |
|--------|-------------------------|---------|--------|------|----|----|
| | | | | 1 | 2 | 3 |
| 22-May | Pam Brown | 1694 | 14.5 | X | X | N1 |
| 13-Mar | Terri Hanno | 1654 | 32.08 | X | X | X |
| 11-Mar | OMSI | 1652 | 99 | X | E4 | X |
| 20-Mar | Christa Struckmeir | 1655 | 90.77 | X | X | X |
| 19-Feb | Parkrose Transportation | 1650 | 145.6 | X | X | N1 |

N1: Check outstanding as of date of testing.

E4: Approval form did not contain information about which account the disbursement should come from.

Conclusion: Disbursements appear to be processed as required by District policies.

Parkrose School District
Shaver Elementary
Testing of Student Body Funds
For the year ending June 30, 2014

Objective:

To ensure that Student Body Funds are used appropriately and in compliance with District Student Body Fund guidelines.

Bank Reconciliations

Tests of Controls:

1. Was the reconciliation completed correctly?
2. Was the reconciliation completed timely (within a month of the statement date)?
3. Was the reconciliation reviewed timely?

| Month | Tests | | |
|----------|-------|----|----|
| | 1 | 2 | 3 |
| December | X | E1 | E1 |
| March | X | E1 | E1 |
| April | X | X | X |

E1: There is no indication as to when the reconciliation was completed. All reconciliations should be initialed and dated by both the preparer and the reviewer to ensure timeliness.

Conclusion: Bank reconciliations appear to now be completed and reviewed in accordance with Student Body Fund Accounting policies.

Receipts

Tests of Controls:

1. Was a receipt issued for the individual transaction?
2. Was the money deposited timely (generally within a week)?
3. Trace the deposit to the bank.

Sampling Methodology:

Haphazard

| Receipt # | Test | | |
|-----------|------|---|---|
| | 1 | 2 | 3 |
| 262548 | X | X | X |
| 262566 | X | X | X |
| 262567 | X | X | X |
| 262586 | X | X | X |
| 262592 | X | X | X |

N1
N1

N1: receipt dated 2/30. This may be an indication the receipt was made out after the transaction occurred.

Conclusion: Receipts appear to be issued and processed in accordance with District policies.

Disbursements

Tests of Controls:

1. Was the check request signed in accordance with District Student Body Fund Accounting Policies?
2. Was the correct general ledger account used?
3. Was the check signed in accordance with District Student Body Fund Accounting Policies?

Sampling Methodology:

Haphazard

| Date | Payee | Check # | Amount | Test | | |
|--------|-------------|---------|----------|------|---|----|
| | | | | 1 | 2 | 3 |
| 23-May | Jessica Pau | 1143 | 7.36 | E3 | X | N2 |
| 31-Mar | First Book | 1130 | 179.25 | X | X | X |
| 19-Mar | Renee Cab | 1129 | 53.34 | E2 | X | E3 |
| 27-Feb | Emily Shoe | 1121 | 120.00 | X | X | X |
| 13-May | Northwest | 1139 | 1,000.00 | E3 | X | N2 |

N2: Check had not cleared the bank as of the date of testing.

E2: The principal approved her own reimbursement. Someone independent of the principal should approve any disbursement to the principal.

E3: The approval form/check was only signed by the secretary. The approval form should be signed by the principal and the checks should be signed by both the secretary and the principal.

Conclusion: The disbursement process is not working in accordance with District policy and needs improved upon.

Parkrose School District
Russell Academy
Testing of Student Body Funds
For the year ending June 30, 2014

Objective:

To ensure that Student Body Funds are used appropriately and in compliance with District Student Body Fund guidelines.

Bank Reconciliations

Tests of Controls:

1. Was the reconciliation completed correctly?
2. Was the reconciliation completed timely (within a month of the statement date)?
3. Was the reconciliation reviewed timely?

| Month | Tests | | |
|---------|-------|---|----|
| | 1 | 2 | 3 |
| October | X | X | E1 |
| March | X | X | E2 |
| April | X | X | E2 |

E1: There is no indication as to when the reconciliation was reviewed. All reconciliations should be initialed and dated by both the preparer and the reviewer to ensure timeliness.

E2: There is no indication that the reconciliation has been reviewed. All reconciliations should be initialed and dated by both the preparer and the reviewer to ensure timeliness.

Conclusion: Bank reconciliations need to be reviewed in a timely manner to be in accordance with Student Body Fund Accounting policies.

Receipts

Tests of Controls:

1. Was a receipt issued for the individual transaction?
2. Was the money deposited timely (generally within a week)?
3. Trace the deposit to the bank.

Sampling Methodology:

Haphazard

| Receipt # | Test | | | |
|-----------|------|----|----|----|
| | 1 | 2 | 3 | |
| 747155 | X | E4 | X | E3 |
| 747176 | X | N1 | N1 | E3 |
| 747195 | X | X | E5 | E3 |
| 749782 | X | X | E5 | E3 |
| 749750 | X | E6 | X | E3 |

N1: These receipts were not deposited and were stolen from the vault.

E3: No indication of which account the receipt should go to.

E4: Was not deposited timely.

E5: Receipts attached to deposit slip do not total the deposit.

E6: Deposit was made 2 months after the date of receipt.

Conclusion: Receipts do not appear to be issued and processed in accordance with District policies.

Disbursements

Tests of Controls:

1. Was the check request signed in accordance with District Student Body Fund Accounting Policies?
2. Was the correct general ledger account used?
3. Was the check signed in accordance with District Student Body Fund Accounting Policies?

Sampling Methodology:

Haphazard

| Date | Payee | Check # | Amount | Test | | |
|--------|-----------------------|---------|----------|------|----|----|
| | | | | 1 | 2 | 3 |
| 13-Mar | Bourne Enterprises | 2659 | 1,000.00 | X | X | X |
| 9-Dec | PBIS | 2655 | 162.31 | X | X | X |
| 28-Apr | Parkrose School Dist. | 2662 | 24.50 | E7 | X | X |
| 7-Oct | Peripole Inc. | 2644 | 350.00 | X | E8 | X |
| 30-Apr | Janet Johnson | 2663 | 35.08 | E7 | X | N2 |

N2: Check had cleared the bank as of date of testing.

E7: Principal did not sign the approval form. Approval forms should be signed prior to check being written.

E8: Disbursement appears to be made out of the wrong account.

singed by the principal and the checks should be signed by both the secretary and the principal.

Conclusion: The disbursement process is not working in accordance with District policy and needs improved upon.

**Parkrose School District
Sacramento Elementary
Testing of Student Body Funds
For the year ending June 30, 2014**

Objective:

To ensure that Student Body Funds are used appropriately and in compliance with District Student Body Fund guidelines.

Bank Reconciliations

Tests of Controls:

1. Was the reconciliation completed correctly?
2. Was the reconciliation completed timely (within a month of the statement date)?
3. Was the reconciliation reviewed timely?

| Month | Tests | | |
|----------|-------|----|----|
| | 1 | 2 | 3 |
| December | E1 | E1 | E1 |
| January | E1 | E1 | E1 |
| April | E1 | E1 | E1 |

E1: The bank reconciliation was not completed for these months. A reconciliation needs to be completed each month whether there are outstanding items or not.

Conclusion: Bank reconciliations need to be completed and reviewed in a timely manner to be in accordance with Student Body Fund Accounting policies.

Receipts

Tests of Controls:

1. Was a receipt issued for the individual transaction?
2. Was the money deposited timely (generally within a week)?
3. Trace the deposit to the bank.

Sampling Methodology:

Haphazard

| Receipt # | Test | | |
|-----------|------|----|---|
| | 1 | 2 | 3 |
| 929217 | X | X | X |
| 929260 | X | E2 | X |
| 929272 | X | X | X |
| 929308 | X | X | X |
| 929399 | X | X | X |

E2: Receipt was not deposited timely. Receipts should be deposited within a week of the transaction.

Conclusion: Receipts appear to be issued and processed in accordance with District policies.

Disbursements

Tests of Controls:

1. Was the check request signed in accordance with District Student Body Fund Accounting Policies?
2. Was the correct general ledger account used?
3. Was the check signed in accordance with District Student Body Fund Accounting Policies?

Sampling Methodology:

Haphazard

| Date | Payee | Check # | Amount | Test | | |
|--------|------------------------|---------|--------|------|---|---|
| | | | | 1 | 2 | 3 |
| 24-Sep | Parkrose School Dist. | 683 | 105.00 | X | X | X |
| 15-Oct | Parkrose Middle School | 687 | 111.00 | X | X | X |
| 31-Oct | Sami Scriptor | 692 | 741.42 | X | X | X |
| 20-Dec | Lisa Anderson | 697 | 13.00 | X | X | X |
| 24-Oct | Olive Garden | 689 | 103.55 | X | X | X |

E3

E3: This was used for a staff meal, which is not an approved use of student body funds under district, state, and federal guidelines.

Conclusion: The disbursement process is working in accordance with District policy.