

Student Activity Fund - Internal Audit Status Report
Board Meeting: 5/23/16

Period of Observation: July 2015 thru March 2016

Personnel Assigned: 3 - District Staff & 1 - School Staff

- Objective:**
- 1) Perform an internal audit review of all 6 schools
 - 2) Select a series of transactions to ensure schools are following the District procedures pertaining to handling cash, paying vendors, purchase orders, depositing cash, approval authority, orders, depositing cash, approval authority, Bank statement reconciliations completed and reviewed in timely manner, where proper segregation of duties is observed.
 - 3) Discuss our findings with both the secretary, bookkeeper and Principal and explain what observed as good procedures and negative procedures.
 - 4) Request that each school prepare a corrective action plan when findings are in need of change.

Balances in the Student Activity Accounts:

	<i>Balance 6/30/15</i>	<i>Balance 03/31/2016</i>	Change
Prescott	\$3,806.00	\$7,086.73	\$3,280.73
Russell	\$6,228.00	\$6,143.47	(\$84.53)
Sacramento	\$5,991.00	\$5,595.87	(\$395.13)
Shaver	\$10,190.00	\$13,280.41	\$3,090.41
Middle School	\$35,722.00	\$51,908.52	\$16,186.52
High School	\$196,596.00	\$252,291.42	\$55,695.42
Total	\$258,533.00	\$336,306.42	\$77,773.42

Positive Observations:

- 1) All school are completing the bank statement reconciliation in a timely manner and ensuring the Principal has reviewed. The one school we had concerns about in prior period has caught up on all outstanding reconciliations.
- 2) Staff at the schools were very respectful and had documentation ready to audit.

Negative Observations:

- 1) Appears that several years old checks are still needing attention at several We will work with Quickbooks to determine the best way to resolve this problem.

General Observations:

- 1) Each one of the schools prepare documentation differently - objective is to ensure each type of transaction documentation is consistent across the District.
- 2) Only the Middle School and High School utilize an external software data site (QuickBooks) the District's central office objective will be to get all schools on the same software by end of FY 16/17 if possible but most definately by FY 17/18.
- 3) All schools need to clear outstanding checks that have been on the books. We have established procedures to assist staff in clearing old outstanding checks. Currently the oldest check outstanding is dated 2007 value \$1.00

Overall:

HUGH improvement over prior quarter audit - next step we will work on is trying to get procedures standardized then getting everyone on an automated software program to assist with efficiency and transparency.