

ANCHORAGE SCHOOL DISTRICT
STUDENT ACTIVITIES
MANAGEMENT REVIEW AND ANALYSIS
Year Ended June 30, 2010

Prepared By:
Altman, Rogers & Co.
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**ANCHORAGE SCHOOL DISTRICT
STUDENT ACTIVITIES**

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EXECUTIVE SUMMARY

Introduction

The purpose of this review was to evaluate activities, systems, procedures and practices to ensure that the Anchorage School District is effectively managing Student Activity Funds and following sound accounting principles. Student Activity Funds include all student-generated revenue and related expenditures in the fiscal year ending June 30, 2010. The scope of this review includes 8 high schools, 10 middle schools, 5 alternative schools, and 2 extra curricular groups, which are reported individually on the following pages.

For each of the schools and groups reviewed, a step-by-step program was followed to ensure complete evaluation of the decentralized accounting system. Our procedures were as follows:

For all sites our sample selection process involved reviewing 15, 25, or 40 transactions depending on the size of the population. We selected samples for adjustment transactions, cash disbursements and cash receipts. For populations less than 25 transactions we selected a sample of 15, for populations of 25 – 250 we selected a sample of 25 transactions, and for populations greater than 250 we selected a sample of 40 transactions. In addition the samples selected we also reviewed an additional two transactions for any errors found in our original sample, or for errors found in our additional selections. In each of these areas we examined the supporting documentation that accompanied each transaction and ensured the site was operating under current District policy.

When on site:

1. Interviewed student activities personnel to determine the following:
 - If prior year findings have been resolved.
 - Segregation of duties between the assistant principal and the activities clerk.
 - The adequacy of the reporting system and if it is meeting the needs of the activities clerks and the District.
 - If student activities personnel are receiving adequate support from the District.
2. Documented the accounting systems used by the schools or groups.
3. Performed analysis and testing of those systems in the following areas:
 - **Administration** - We selected several activity groups to determine if they are meeting administrative requirements relating to sponsors, enrollment rosters, and administrative approval, as defined by the District.
 - **Cash and investment accounts** - We reviewed the bank reconciliations to determine if they are being done monthly in accordance with the Student Activity Accounting Manual. We verified that the June 30, 2010 bank reconciliation

EXECUTIVE SUMMARY, Continued

book balance agreed with the amount reported as cash at year end. We also inquired as to whether any new bank accounts were established during the year, if so we verified that they were established in accordance with District policy. As of the date of our audit procedures we reviewed the current cash report. We then verified that the amount of cash on hand was in agreement with the cash report.

- **Transfers and adjustments** - We selected adjustments to review throughout the year. We determined if transfers were being done in accordance with District policy and that adjustments were being recorded correctly as to account, amount and timing.
- **Cash receipts** - We obtained a listing of cash receipts for the fiscal year and selected individual receipts for review to determine if the receipt was recorded correctly according to District policy. We also verified that the receipt was deposited in the activities bank account in a timely manner.
- **Cash disbursements** - We obtained a list of checks written throughout the fiscal year and selected individual checks for review to determine if they were being issued in accordance with District policy, using either purchase orders or check requests, and were accompanied by all necessary supporting documentation.
- **Reporting** - We reviewed monthly reports submitted to the District to determine if they were filed on a timely basis and in accordance with District policy.
- **District revenue and cost reimbursements** - We reviewed all payments received from Anchorage School District to determine that they were credited to the correct activity account. For cost reimbursements from the District, we verified that they were deposited in the activities account where the original funds were expended.
- **Vending machine revenue and Principal's account** - Through inquiry of student activities personnel and review of account activity, we determined how the school spends its vending machine revenue and recorded expenses in the account.
- **Donations and Grants** - Through inquiry of student activities personnel and review of cash receipts, we determined whether there were any receipts for donations or grants in excess of \$5,000. If so, we determined they were recorded in accordance with District policy.
- **Contracts for goods or services** - Through inquiry of student activities personnel, we determined if the school had any large purchases of goods or services during the year, and if so, that the competitive bid process was used.
- **Authorization** - Through inquiry and observation, we determined if the proper authorization is taking place at the school, either through purchase orders or check requests. If the school uses check requests in place of purchase orders, we determined that authorization had taken place before the purchase and is evident on the check request form.

EXECUTIVE SUMMARY, Continued

- **Safeguarding of assets** - Through inquiry of student activities personnel, we determined if cash that was collected was stored in a secure location between the time of collection and deposit. We also selected a sample of 10 receipts to verify test the time outstanding between when receipts were received and when they were deposited into the bank.
 - **Ending cash balances** - We compared the ending cash balances for each school to those of the prior years to identify any significant variances. Any unusual variances identified were evaluated to determine if they were reasonable.
4. We documented and discussed any findings with the student activities personnel.

Summary of Recommendations and Results

Overall, the Anchorage School District performs an excellent job of accounting for Student Activity Programs. In most cases, the schools and groups have implemented prior year recommendations and the procedures set forth in the Student Activity Funds Accounting Manual.

During our current year review, we noted the following concerns related to accounting procedures in various locations, as well as recommendations made in prior review reports, which still had noncompliance by site:

- Fourteen schools had deficiencies related to timely reporting and timely reconciliation of cash accounts. It is important that all cash accounts are reconciled in a timely manner, in order to ensure that all discrepancies or errors are discovered in a timely manner.
- Eighteen schools had various transactions involving either cash receipts, cash disbursements, or transfers that lacked adequate supporting documentation. Every transaction of an organization should be accompanied by adequate supporting documentation indicating approval of the transaction, coding of the transaction, and amount of the transaction.
- Three schools exceeded the expenditures for Principal's account in excess of District policy. All schools should maintain expenditures at such a level as to be within District policy.
- Five schools did not maintain adequate documentation regarding the creation of activity accounts relating to either sponsors, enrollment rosters, constitutions, or administrative approval as defined by the District. When activity accounts are created the required District documentation should be maintained and filed by the school.

EXECUTIVE SUMMARY, Continued

- Six schools did not maintain adequate documentation related to deficit balances in activity accounts. When deficit balances occur the school should get and maintain adequate supporting documentation to demonstrate District approval.
- One school with cash on site at the time of our procedures had not correctly set up the 9010 account to track those funds. All schools should setup and use the 9010 account per District policy.
- One school received a donation in excess of the \$5,000 threshold with no related documentation indicating District approval or notification. All donations exceeding the \$5,000 threshold should include the applicable District approval and documentation.

As part of our procedures we also inquired of student activities personnel to determine if the District's Accounting Department provides sufficient instructions and directions to the schools for managing the student activity funds. Common recommendations from student activity personnel included: Increased training, including additional technical support in operating and using the accounting software.

We would like to acknowledge the courtesy and assistance extended to us by the personnel of the Anchorage School District, in particular the student activities personnel assisting us at each of the twenty three schools and two extra curricular groups.

BARTLETT HIGH SCHOOL

The following areas were audited for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. We noted the following exception(s):

Three of the five activities reviewed did not have appropriate administrative documentation.

2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 25 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 44 cash receipt transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. We noted the following exception(s):

Two transactions did not have the proper authorization on the cash count sheets as required by District policy.

BARTLETT HIGH SCHOOL, Continued

6. **Cash Disbursements:** We reviewed 40 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, and recorded in the correct activity account. No exceptions were noted.
7. **Reporting:** Through inquiry of the student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following exception(s):

April 2010

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We reviewed all cash receipts from the District and for cost reimbursement payments and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements from the District totaling \$68,528 in addition to \$1,681 of prior year funds for a total of \$70,209.

Activities	\$ 1,286
Band	37,051
Basketball	1,414
Cheerleading	706
Choir	135
Football	5,465
Soccer	5,253
Swimming	449
Tennis	299
Track and field	1,050
Volleyball	1,439
Wrestling	11,084
XC skiing	3,673
Other – Voided	905
	<u>\$ 70,209</u>

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$29,858 in vending machine revenue during fiscal year 2010. The school transferred this income into the general student activities account.

General Fund Transfer	<u>\$ 29,858</u>
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BARTLETT HIGH SCHOOL, Continued

The expenditures in the Principal's Account totaled \$1,365.

Luncheons	\$	471
Math event		84
Other		810
	\$	<u>1,365</u>

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of the student activities personnel and review of cash disbursements, we determined that the school used purchase orders to authorize and approve expenditures. All purchase order requisition forms reviewed were signed by the requestor and the activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and school principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 1.6 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provide by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$63,829	\$77,635	\$71,057

15. **Prior Year Findings:** A prior year finding over cash receipts was resolved; however a new finding related to cash receipts was noted.

CHUGIAK HIGH SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. We noted the following exception(s):

Three of the five activities reviewed did not have appropriate administrative documentation.

2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 25 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 42 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. We noted the following exception(s):

One cash count sheet was not properly signed.

CHUGIAK HIGH SCHOOL, Continued

6. **Cash Disbursements:** We reviewed 40 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. No exceptions were noted.

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. No exceptions were noted.

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements from the District totaling \$114,578.

Administrator's transportation	\$ 3,577
Athletics	330
Boys basketball	579
Boys soccer	855
Cheerleading	2,046
Counseling	306
Cross country	6,551
F.C.C.L.A	744
Football	6,813
Gate receipts	1,510
Girls basketball	679
Girls soccer	1,076
Gymnastics	2,404
Hockey	4,699
NJROTC	23,765
Principal's account	1,343
Region IV	2,730
Rifle	1,175
Russian club	175
Student activities	5,813
Swimming	2,270
Tennis	1,571
Track	4,477
Vending	35,145
Volleyball	2,635
WDS	1,200
Wrestling	110
	<u>\$ 114,578</u>

CHUGIAK HIGH SCHOOL, Continued

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$26,023 in vending machine revenue in fiscal year 2010. This was used for the following expenditures in addition to \$2,732 being transferred into the principal's account:

Athletics	\$ 5,686
Shirts for resale	611
Sign for school	3,895
Supplies	1,337
Wrestling mats	5,937
Other	417
	<u>\$ 17,879</u>

The expenditures in the principal's account totaled \$4,368.

Awards/Promotions	\$ 1,131
Luncheons	2,041
Newsletter mailings	779
Other	417
	<u>\$ 4,368</u>

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 3.7 days.

CHUGIAK HIGH SCHOOL, Continued

14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$129,709	\$193,474	\$182,826

15. **Prior Year Findings:** No prior year findings were noted.

DIMOND HIGH SCHOOL

The following areas were audited for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were performed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 27 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s):

One transaction lacked adequate supporting documentation showing proper approval.
5. **Cash Receipts:** We reviewed 25 cash receipt transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 40 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, received, and recorded in the correct activity account. No exceptions were noted.

DIMOND HIGH SCHOOL, Continued

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. No exceptions were noted.
8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements totaling \$65,411.

Contract services	\$ 19,000
Expendable equipment	32,033
Medical supplies	4,966
Student travel	<u>9,412</u>
	<u>\$ 65,411</u>

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$38,792 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

Boys basketball	\$ 7,946
Boys hockey	6,147
Boys soccer	395
Cheer	8,230
Football	5,313
Girls basketball	2,721
Girls hockey	1,933
Gymnastics	653
Rifling	2,015
Swimming	2,380
Tennis	572
Volleyball	143
Wrestling	202
XC skiing	<u>142</u>
	<u>\$ 38,792</u>

The expenditures in the principal's account totaled \$4,565.

Luncheons	\$ 793
Staff/Student recognition	<u>3,772</u>
	<u>\$ 4,565</u>

DIMOND HIGH SCHOOL, Continued

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we have determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and through our review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and administrative assistant. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was six days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$280,190	\$311,104	\$330,272

15. **Prior Year Findings:** No prior year findings were noted.

EAGLE RIVER HIGH SCHOOL

The following areas were audited for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 25 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 40 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 40 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, and recorded in the correct activity account. No exceptions were noted.
7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. No exceptions were noted.

EAGLE RIVER HIGH SCHOOL, Continued

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements totaling \$19,219.

Admin travel	\$ 1,498
Boys basketball	5,245
Boys soccer	76
Cheer	330
Debate	509
Flag football	375
Football	3,545
General student activities	865
Girls hockey	947
Girls soccer	500
Gymnastics	375
Rifle	288
Staff support	281
State soccer	481
Student services	200
Swimming/diving	636
Tennis	60
Track	175
Volleyball	602
Wrestling	767
XC skiing	1,464
	<u>\$ 19,219</u>

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$15,608 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

Scoreboard	<u>\$ 13,459</u>
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EAGLE RIVER HIGH SCHOOL, Continued

The expenditures in the principal's account totaled \$8,600.

Football gear	\$	2,035
Newspaper		274
Staff/Student luncheons		4,463
Staff recognition		657
Yearbook		<u>1,171</u>
	\$	<u>8,600</u>

The principal's account exceeded the \$5,000 limit established by the District.

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk, and principals. We selected nine cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 11 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$85,331	\$105,888	\$92,748

15. **Prior Year Findings:** No prior year findings were noted.

EAST HIGH SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. We noted the following exception(s):

Two of the five activities reviewed did not have the appropriate administrative documentation.

2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. We noted the following exception(s):

As of the date of our review the necessary cash account 9010 was not set up, yet there was \$350 in cash available.

3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. We noted the following exception(s)

Two activity groups had deficit balances that were not documented and approved by the District.

4. **Transfers:** We reviewed 41 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s)

Eight transactions lacked the necessary supporting documentation.

EAST HIGH SCHOOL, Continued

- 5. **Cash Receipts:** We reviewed 40 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
- 6. **Cash Disbursements:** We reviewed 40 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. No exceptions were noted.
- 7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following exception(s):

The following reports were submitted after the 30 day deadline

- July 2009*
- August 2009*
- September 2009*
- October 2009*
- November 2009*

- 8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements from the District totaling \$63,602.

Activities	\$ 3,610
Contracted services	24,021
Equipment	34,971
Health supplies	1,000
	<u>\$ 63,602</u>

- 9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that school earned \$31,684 in vending machine revenue in fiscal year 2010. This was used as a transfer to the general fund.

EAST HIGH SCHOOL, Continued

General fund \$ 31,684

The expenditures in the principal's account totaled \$6,363.

Staff/Student recognition \$ 6,363

The principal's account exceeded the \$5,000 limit established by the District.

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 14.1 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$94,833	\$118,227	\$120,041

15. **Prior Year Finding:** The prior year finding over reporting has been repeated in this report.

SERVICE HIGH SCHOOL

The following areas were audited for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the School offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 25 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 40 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 40 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, and recorded in the correct activity account. No exceptions were noted.
7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. No exceptions were noted.

SERVICE HIGH SCHOOL, Continued

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements from the District totaling \$9,356.

Contracted services	\$ 3,289
Expendable equipment	4,967
Student travel	<u>1,100</u>
	<u>\$ 9,356</u>

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$23,980 in vending machine revenue during fiscal year 2010. This was used for the following expenditures:

Honor marshals	\$ 218
PAW awards	<u>783</u>
	<u>\$ 1,001</u>

The expenditures in the principal's account totaled \$4,091.

Staff/Student recognition	<u>\$ 4,091</u>
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10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.

SERVICE HIGH SCHOOL, Continued

13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 3.8 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$217,376	\$182,160	\$178,986

15. **Prior Year Findings:** Prior findings related to cash disbursements and the principal's account has been resolved.

SOUTH HIGH SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. We noted the following exception(s):

Four of the five activities reviewed did not have appropriate administrative documentation.

2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 40 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 40 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 40 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. No exceptions were noted.

SOUTH HIGH SCHOOL, Continued

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. No exceptions were noted.
8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements from the District totaling \$55,998.

Equipment	\$ 16,000
Health supplies	1,000
Region shares	12,999
Replacement equipment	4,000
Student activities	15,999
Travel	6,000
	<u>\$ 55,998</u>

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$21,181 in vending machine revenue in fiscal year 2010. This was used for the following expenditures in addition to \$6,553 being transferred to the principal's account.

Band	\$ 3,221
Staff services	1,500
Student activities	12,776
Other	165
	<u>\$ 17,662</u>

The expenditures in the principal's account totaled \$6,553.

Books	\$ 248
Luncheons	4,242
Multicultural activities	401
Staff appreciation	1,343
Other	319
	<u>\$ 6,553</u>

The principal's account exceeded the \$5,000 limit established by the District.

SOUTH HIGH SCHOOL, Continued

- 10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
- 11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
- 12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used purchase orders to authorize and approve expenditures. All cash disbursement transactions were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
- 13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and administrative assistant. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 10.1 days.
- 14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$222,209	\$265,222	\$221,695

- 15. **Prior Year Findings:** No prior year findings were noted.

WEST HIGH SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. We noted the following exception(s);

Three of the five activities reviewed did not have appropriate administrative documentation.

2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.

3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. We noted the following exception(s):

Sixteen activity accounts had deficit balances that were not supported by the appropriate approval documentation.

4. **Transfers:** We reviewed 35 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s):

Five transfers lacked adequate supporting documentation.

5. **Cash Receipts:** We reviewed 55 cash receipt transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. We noted the following exception(s):

Sixteen cash count sheets submitted by sponsors were not endorsed by the sponsor. Additionally, there were signatures absent from the clerk who is responsible for verifying the money is correct on the cash count sheet.

WEST HIGH SCHOOL, Continued

6. **Cash Disbursements:** We reviewed 80 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, received, and recorded in the correct activity account. We noted the following exception(s):

There were 20 transactions without supporting documentation or proper authorization.

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following exception(s):

All bank reconciliations were submitted after the 30 day deadline.

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements totaling \$64,561.

Administrative travel	\$ 2,736
Athletics	4,946
Bill of rights	2,320
Boys basketball	1,654
Boys hockey	2,706
Cheerleading	1,546
Color guard	2,000
Cross country	3,462
Flag football	150
Football	13,433
Gate receipts	3,842
Girls basketball	2,620
Girls soccer	2,397
Gymnastics	2,229
Regions	11,781
Safe and drug free schools	1,200
Swimming/Diving	1,000
Vending	837
XC skiing	3,702
	<u>\$ 64,561</u>

WEST HIGH SCHOOL, Continued

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$27,853 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

Athletics	\$ 11,591
Gaming	128
Office supplies	1,171
Travel	3,934
Trophies/Awards	642
Other	329
	<u>\$ 17,795</u>

The expenditures in the principal's account totaled \$3,056

Luncheons	\$ 202
Recognition	364
Registration	1,018
Staff gifts	819
Other	653
	<u>\$ 3,056</u>

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a safe in which they keep all cash collected, and access is limited to the student activities clerk and principal. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 5.4 days.

WEST HIGH SCHOOL, Continued

14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$176,737	\$158,511	\$171,068

15. **Prior Year Finding:** Reporting finding has been repeated. The finding over the principal's account has been resolved.

BEGICH MIDDLE SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New Bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. We noted the following exception(s):

Five activity deficit balances reviewed lacked appropriate approval from the District.

4. **Transfers:** We reviewed 15 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 29 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. We noted the following exceptions:

Two cash count sheet transactions lacked approval signatures.

6. **Cash Disbursements:** We reviewed 25 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. No exceptions were noted.

BEGICH MIDDLE SCHOOL, Continued

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following exception(s):

December 2009

April 2010

8. **District Revenue and Cost Reimbursements:** Begich Middle School did not receive any reimbursements from the District during fiscal year 2010.
9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$9,885 in vending machine revenue in fiscal year 2010. This was used for the following expenditures in addition to \$3,033 being transferred into the principal's account:

Buses	\$	126
Luncheons		939
Memberships and fees		430
Performances and honorarium		2,249
Scholarships		567
Staff/Student recognition		757
Supplies		189
Wrestling		792
	\$	<u>6,049</u>

The expenditures in the principal's account totaled \$4,667.

Luncheons	\$	657
Staff recognition		3,772
Other		238
	\$	<u>4,667</u>

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.

BEGICH MIDDLE SCHOOL, Continued

12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and administrative assistant. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 1.7 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$25,035	\$21,949	\$13,472

15. **Prior Year Findings:** No prior year findings were noted.

CENTRAL MIDDLE SCHOOL

The following areas were audited for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 68 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s):

Forty-one of the transfers lacked appropriate authorization documentation. Thirteen transactions lacked supporting documentation.

5. **Cash Receipts:** We reviewed 25 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.

CENTRAL MIDDLE SCHOOL, Continued

6. **Cash Disbursements:** We reviewed 37 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, received, and recorded in the correct activity account. We noted the following exception(s):

Six transactions were lacking supporting documentation indicating transaction approval.

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is not filing monthly reports in accordance with District policy, on a timely basis. The following months were reported late:

July 2009

August 2009

November 2009

December 2009

February 2010

March 2010

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received no reimbursements from the District.
9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel we determined that the school earned \$6,600 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

Conferences	\$	235
Luncheons and breakfasts		617
School store and supplies		456
School uniforms and apparel		6,570
Student appreciation		482
Other		400
		<u>8,760</u>

The principal's account during fiscal year 2010 was inactive.

CENTRAL MIDDLE SCHOOL, Continued

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk, administrative assistant, principal, and assistant principal. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 4.2 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$45,015	\$50,932	\$39,895

15. **Prior Year Finding:** Cash receipts finding has been resolved.

CLARK MIDDLE SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.

3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. We noted the following exception(s):

Two deficit balances did not have adequate documentation showing approval.

4. **Transfers:** We reviewed 45 transfers to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s):

Forty-two transactions had no approval documentation.

5. **Cash Receipts:** We reviewed 113 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. We noted the following exception(s):

Eighty-one transactions were lacking a copy of the deposit slip or other supporting documentation.

CLARK MIDDLE SCHOOL, Continued

6. **Cash Disbursements:** We reviewed 148 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. We noted the following exception(s):

There were 76 transactions without adequate documentation to indicate proper approval.

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is not filing monthly reports in accordance with District policy, on a timely basis. The following reports were filed late:

*July 2009
September 2009
October 2009
November 2009
December 2009
January 2010
February 2010
March 2010*

8. **District Revenue and Cost Reimbursements:** We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school was received reimbursements from the District totaling \$81.

Student honor society	\$ <u>81</u>
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9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$6,462 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

Addendum payments	\$ 37
Band instruments	325
School website	<u>1,500</u>
	<u>\$ 1,862</u>

Clark Middle School does not have a principal's account.

CLARK MIDDLE SCHOOL, Continued

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school used check requests and purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account, however because the supporting documentation lacked the deposit receipt, we were not able to determine what date the receipt was deposited.
14. **Ending Cash Balances:** This is the first year of activity therefore there are no previous cash balances to compare.

	<u>2010</u>
Total cash per books	\$54,358

15. **Prior Year Finding:** Cash receipts finding has been resolved.

GOLDENVIEW MIDDLE SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 29 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s):

Two transfers did not have proper approval documented.
5. **Cash Receipts:** We reviewed 40 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all funds collected throughout the year and money count sheets were used, if applicable, and that a cash receipt was issued for all funds collected throughout the year. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 40 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, received, and recorded in the correct activity account. No exceptions were noted.

GOLDENVIEW MIDDLE SCHOOL, Continued

- 7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. No exceptions were noted.
- 8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that there was no cost reimbursement from the District during fiscal year 2010.
- 9. **Vending Machine Revenue and Principal's Account:** Through inquiry of activities personnel, we determined that the school earned \$6,043 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

School related purchases	\$ 320
Staff appreciation	6,697
Student support	<u>9,941</u>
	<u>\$ 16,958</u>

Goldenview Middle School does not have a principal's account.

- 10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
- 11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
- 12. **Authorization:** Through inquiry of student activities personnel and through our review of cash disbursements, we determined that the school used check requests and purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
- 13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 4 days.

GOLDENVIEW MIDDLE SCHOOL, Continued

14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$179,246	\$193,705	\$203,872

15. **Prior Year Findings:** No prior year findings were noted.

GRUENING MIDDLE SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 25 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 25 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 25 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. No exceptions were noted.
7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. No exceptions were noted.

GRUENING MIDDLE SCHOOL, Continued

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements from the District totaling \$1,093.

Track and field	\$ 632
Other	461
	<u>\$ 1,093</u>

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$3,584 in vending machine revenue in fiscal year 2010. This was used for the following expenditures in addition to \$3,278 being transferred into the principal's account:

Band	\$ 115
Library	400
Staff appreciation	515
XC skiing	236
	<u>\$ 1,266</u>

The expenditures in the principal's account totaled \$3,278.

Donations	\$ 75
Induction	30
Staff food and trainings	149
Staff gifts and t-shirts	1,175
Teachers' lounge beautification	1,849
	<u>\$ 3,278</u>

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.

GRUENING MIDDLE SCHOOL, Continued

12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 10 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$42,435	\$52,007	\$50,725

15. **Prior Year Findings:** Finding over cash disbursements has been resolved.

HANSHEW MIDDLE SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. We noted the following exception(s):

Four accounts had deficit balances without authorization.

4. **Transfers:** We reviewed all expense adjustments, population 38, to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s):

There were 25 transactions without proper authorization for NSF checks and interest income transactions.

5. **Cash Receipts:** We reviewed 39 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. We noted the following exception(s):

There were seven transactions that either did not have a money count sheet signed by the sponsor or the receipt was issued after the deposit date.

HANSHEW MIDDLE SCHOOL, Continued

6. **Cash Disbursements:** We reviewed 150 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, received, and recorded in the correct activity account. We noted the following exception(s):

A total of 65 transactions contained one or more errors; 54 lacked approval; nine lacked supporting documentation and 26 lacked proof of receipt of goods.

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following reports were submitted late:

July 2009

August 2009

September 2009

October 2009

December 2009

February 2010

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that there was no cost reimbursement from the District during fiscal year 2010.
9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$3,705 in vending machine revenue in fiscal year 2010. This was used for the following expenditures in addition to \$2,928 being transferred into the principal's account:

ASD rebillables	\$ 2,020
Assembly	895
Honorarium	1,000
Memberships and fees	826
Staff recognition and luncheons	165
Supplies	675
Track and field	140
	<u>\$ 5,721</u>

HANSHEW MIDDLE SCHOOL, Continued

The expenditures in the principal's account totaled \$3,461.

Luncheons	\$ 752
Staff recognition	<u>2,709</u>
	<u>\$ 3,461</u>

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily uses check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and the school principal. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 0.9 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$24,597	\$28,715	\$31,137

15. **Prior Year Findings:** Reporting finding has been repeated.

MEARS MIDDLE SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 57 expense adjustments to ensure that they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. We noted the following exceptions(s):

There were 29 transfers at the beginning of the year without proper documentation or authorization; this issue appeared to be addressed the second half of the year.

5. **Cash Receipts:** We reviewed 25 cash disbursements to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.

MEARS MIDDLE SCHOOL, Continued

6. **Cash Disbursements:** We reviewed 19 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, received, and recorded in the correct activity account. We noted the following exception(s):

There were two transactions without supporting documentation.

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following reports were submitted late:

*July 2009
August 2009
September 2009
October 2009
November 2009
January 2010
February 2010
March 2010
April 2010*

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that there were no reimbursements from the District in fiscal year 2010.
9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$1,366 in vending machine revenue in fiscal year 2010. This was used to for the following expenditures in addition to \$1,127 being transferred into the principal's account:

Buses	\$ 381
Student recognition	<u>365</u>
	<u>\$ 746</u>

The expenditures in the principal's account totaled \$1,082

Food and supplies	\$ 199
Student/Staff recognition	<u>883</u>
	<u>\$ 1,082</u>

MEARS MIDDLE SCHOOL, Continued

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and administrative assistant. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 15 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$26,275	\$18,162	\$19,177

15. **Prior Year Finding:** No prior year findings were noted.

MIRROR LAKE MIDDLE SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 25 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 25 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 44 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, received, and recorded in the correct activity account. We noted the following exception(s):

One check did not have an authorized signature.

One check did not have proper supporting documentation.

MIRROR LAKE MIDDLE SCHOOL, Continued

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. No exceptions were noted.
8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that there were no reimbursements from the District in fiscal year 2010.
9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$8,287 in vending machine revenue in fiscal year 2010. This was used for the following expenditures in addition to \$2,500 being transferred into the principal's account:

Buses	\$ 984
Itouch	1,444
Luncheons	63
Memberships and fees	150
Performances and instruction	1,750
Student/Staff recognition	798
Supplies	1,390
Wrestling	257
	<u>\$ 6,836</u>

The expenditures in the principal's account totaled \$1,431.

Luncheons	\$ 1,047
Staff shirts & posters	286
Teacher appreciation	98
	<u>\$ 1,431</u>

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.

ROMIG MIDDLE SCHOOL, Continued

6. **Cash Disbursements:** We reviewed 46 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, received, and recorded in the correct activity account. The following exceptions were noted:

Two checks did not have an authorized signature indicating approval and one check did not have adequate supporting documentation.

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following reports were submitted late:

July 2009

August 2009

September 2009

February 2010

March 2010

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements totaling \$1,897.

Student activities	\$ 759
Student recognition	<u>1,138</u>
	<u>\$ 1,897</u>

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$15,531 in vending machine revenue in fiscal year 2010. This was used for the following expenditures in addition to \$4,841 being transferred into the principal's account:

Zumba dance instructor	\$ <u>150</u>
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ROMIG MIDDLE SCHOOL, Continued

The expenditures in the principal's account totaled \$4,841.

Luncheons	\$ 1,577
Miscellaneous	1,324
Staff appreciation	1,407
Student activities	<u>533</u>
	<u>\$ 4,841</u>

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk, administrative assistant, the assistant principal and the principal. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 4.2 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$20,942	\$35,551	\$40,094

15. **Prior Year Finding:** No prior year findings were noted.

WENDLER MIDDLE SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 25 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 42 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. We noted the following exception(s):

One money count sheet was not properly signed by the sponsor.

6. **Cash Disbursements:** We reviewed 31 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. We noted the following exception(s):

Two transactions were not properly authorized and one transaction did not have appropriate supporting documentation.

WENDLER MIDDLE SCHOOL, Continued

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following reports were submitted late:

August 2009
February 2010

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements totaling \$3,525.
9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$10,438 in vending machine revenue in fiscal year 2010. This was used for the following expenditures in addition to \$2,661 being transferred into the principal's account:

Field trip	\$	258
Luncheons		247
Spirit wear		1,300
Other		<u>111</u>
	\$	<u>1,916</u>

The expenditures in the principal's account totaled \$1,360.

Luncheons	\$	100
Replacement glasses		289
Student recognition		551
Other		<u>420</u>
	\$	<u>1,360</u>

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.

WENDLER MIDDLE SCHOOL, Continued

12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 11.5 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$10,817	\$14,847	\$7,915

15. **Prior Year Finding:** No prior year findings were noted.

BENNY BENSON SECONDARY SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. We noted the following exception(s):

Benny Benson is the smallest of all the activity groups. They do not use the same accounting software used by the other schools. They have only one activity group and therefore do not utilize activity listings.

2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 15 adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 25 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 25 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. No exceptions were noted.

BENNY BENSON SECONDARY SCHOOL, Continued

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. Benny Benson does not use the prescribed software to run their reports. Instead, they keep track of all activity in Excel spreadsheets, which are adequate for the small number of transactions they incur throughout the year. No exceptions were noted.
8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements totaling \$4,781.

Activity/Field trips	\$ 1,483
Awards and recognition	531
Books	12
Graduation	787
Supplies	1,843
XC skiing	125
	<u>\$ 4,781</u>

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$2,414 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

Supplies	<u>\$ 586</u>
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Benny Benson Secondary School does not have a principal's account.

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.

BENNY BENSON SECONDARY SCHOOL, Continued

12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 7.2 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$4,769	\$6,217	\$4,518

15. **Prior Year Findings:** No prior year findings were noted.

KING CAREER CENTER

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 25 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 25 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 25 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, received, and recorded in the correct activity account. No exceptions were noted.

KING CAREER CENTER, Continued

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following reports were submitted late:

November 2009
December 2009
February 2010

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. There were no cost reimbursements from the District during fiscal year 2010.
9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$9,928 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

Donations and fees	\$ 166
Scholarships – SOS	2,465
Student/Staff recognition	<u>1,345</u>
	<u>\$ 3,976</u>

The expenditures in the principal's account totaled \$4,985:

Meetings and conferences	\$ 1,496
Staff meals	<u>3,489</u>
	<u>\$ 4,985</u>

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were receipts for donations or grants greater than \$5,000 in fiscal year 2010. We noted the following exception(s):

There was one donation greater than \$5,000 that did have support indicating board approval.

11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.

KING CAREER CENTER, Continued

12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 13 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$110,503	\$118,151	\$109,251

15. **Prior Year Finding:** Finding over reporting has been repeated.

POLARIS K-12

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 25 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. No exceptions were noted.
5. **Cash Receipts:** We reviewed 25 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 25 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. No exceptions were noted.
7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. No exceptions were noted.

POLARIS K-12, Continued

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements totaling \$2,406.

Student activities	<u>\$ 2,406</u>
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9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$1,408 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

Academic and vocational	\$ 352
Scholarships	352
Student activities	<u>704</u>
	<u>\$ 1,408</u>

Polaris K-12 does not have a principal's account.

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 0.6 days.

POLARIS K-12, Continued

14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$49,874	\$61,592	\$47,952

15. **Prior Year Finding:** No prior year findings were noted.

STELLER SECONDARY SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 27 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s):

One transfer lacked supporting documentation.

5. **Cash Receipts:** We reviewed 27 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. We noted the following exception(s):

One transaction was missing supporting documentation.

STELLER SECONDARY SCHOOL, Continued

6. **Cash Disbursements:** We reviewed 29 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. We noted the following exception:

Two transactions did not have adequate supporting documentation.

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following report was submitted late:

August 2009

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements totaling \$4,029.

Student activities	<u>\$ 4,029</u>
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9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$5,792 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

Alternative education fund	\$ 579
General fund	2,607
Operational group	2,027
Yearbook	<u>579</u>
	<u>\$ 5,792</u>

Steller Secondary School does not have a principal's account.

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.

STELLER SECONDARY SCHOOL, Continued

12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests and purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk, administrative assistant, and principal. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 3.6 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Total cash per books	\$66,576	\$83,937	\$79,775

15. **Prior Year Findings:** Finding over transfers has been repeated.

COOK INLET FOOTBALL CONFERENCE

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the conference meet the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 42 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s):

There were 40 transactions without adequate supporting documentation indicating proper approval.

5. **Cash Receipts:** We reviewed 25 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 25 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. No exceptions were noted.

COOK INLET FOOTBALL CONFERENCE, Continued

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following reports were submitted late:

July 2009

August 2009

September 2009

October 2009

November 2009

January 2010

8. **District Revenue and Cost Reimbursements:** We have reviewed all cash receipts and cost reimbursement payments from the District and have determined that there were no reimbursements from the District during fiscal year 2010.
9. **Vending Machine Revenue and Principal's Account:** This activity is not applicable to the conference, as it deals strictly with the activities associated with running the ASD high school football.
10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the conference had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the conference sponsor is the one who primarily approves purchases for payment. The activities principal reviews all payments before they are made. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The conference has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 9.6 days.

COOK INLET FOOTBALL CONFERENCE, Continued

14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the organization.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$3,146	\$2,793	\$3,997

15. **Prior Year Findings:** Finding over transfers has been repeated. Finding over reporting has been repeated.

ANCHORAGE HOCKEY ASSOCIATION

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activities personnel, we determined that the activity groups of the association meet the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. No exceptions were noted.
4. **Transfers:** We reviewed 15 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s):

There were seven transfers without proper approval.

5. **Cash Receipts:** We reviewed 15 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.
6. **Cash Disbursements:** We reviewed 15 cash disbursements to ensure they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation and recorded in the correct activity account. No exceptions were noted.

ANCHORAGE HOCKEY ASSOCIATION, Continued

7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. No exceptions were noted.
8. **District Revenue and Cost Reimbursements:** We have reviewed all cash receipts and determined that there were no reimbursements from the District during fiscal year 2010.
9. **Vending Machine Revenue and Principal's Account:** This activity is not applicable to the association, as it deals strictly with the activities associated with running the ASD high school hockey.
10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations of grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the association had no large purchases of goods or services in fiscal year 2010.
12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the association sponsor is the one who primarily approves purchases for payment. The activities principal reviews all payments before they are made. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The association has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined that all deposits were made the same day as the receipt.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the organization.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$5,649	\$2,741	\$880

15. **Prior Year Finding:** No prior year findings were noted.

SAVE HIGH SCHOOL

The following areas were evaluated for adherence to District student activities policies and procedures, as well as internal controls relating to student activities accounting:

1. **Administration:** Through inquiry of student activity personnel, we determined that the activity groups of the school met the administrative requirements relating to sponsors, enrollment rosters, constitutions and administrative approval, as defined by the District. No exceptions were noted.
2. **Cash and Investment Accounts:** We reviewed monthly cash reconciliations and determined that they were completed in accordance with District policy. Bank account reconciliations were completed for all 12 months of fiscal year 2010. New bank accounts established, if any, were established in accordance with District policy. We verified that the amount recorded as cash on hand as of the day of our review was on hand at the school offices. No exceptions were noted.
3. **Deficit Balances:** We reviewed student organization balances to determine if any deficit balances existed. All deficit balances, if any, were properly approved in accordance with District policy. We noted the following exception(s):

Two deficit balances did not have documentation indicating District approval.

4. **Transfers:** We reviewed all 36 expense adjustments to ensure that they were completed in accordance with District policy and had the proper authorization for all transfers between activity accounts. We noted the following exception(s):

Three transactions were missing supporting documentation.

Two transactions did not agree to the supporting documentation.

One transaction had no signature on the authorization slip.

5. **Cash Receipts:** We reviewed 25 cash receipts transactions to ensure they were completed in accordance with District policy relating to cash receipts and to determine if they were properly recorded concerning amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that was included on the money count sheet and receipt, and money count sheets were used, if applicable. No exceptions were noted.

SAVE HIGH SCHOOL, Continued

6. **Cash Disbursements:** We reviewed 25 cash disbursements to ensure that they were completed in accordance with District policy relating to cash disbursements and to determine if they were properly authorized, accompanied by proper supporting documentation, received, and recorded in the correct activity account. No exceptions were noted.
7. **Reporting:** Through inquiry of student activities personnel and review of monthly reports, we determined that the school is filing monthly reports in accordance with District policy, on a timely basis. We noted the following exception(s):

October 2009
September 2009
August 2009
July 2009

8. **District Revenue and Cost Reimbursements:** Supporting documentation for the purchases being reimbursed were reviewed and found to be properly approved and expended. We have reviewed all cash and cost reimbursement payments from the District and have determined that the funds were correctly credited to the student activity group that had originally expended the funds. During fiscal year 2010 the school received reimbursements totaling \$6,009.

Office supplies	\$ 1,423
Teaching supplies	<u>4,586</u>
	<u>\$ 6,009</u>

9. **Vending Machine Revenue and Principal's Account:** Through inquiry of student activities personnel, we determined that the school earned \$1,766 in vending machine revenue in fiscal year 2010. This was used for the following expenditures:

Vending supplies	<u>\$ 1,012</u>
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SAVE High School does not have a principal's account.

10. **Donations and Grants:** Through inquiry of student activities personnel and review of cash receipts, we determined that there were no receipts for donations or grants greater than \$5,000 in fiscal year 2010.
11. **Contracts for Goods and Services:** Through inquiry of student activities personnel and review of cash disbursements and purchase orders, we determined the school had no large purchases of goods or services in fiscal year 2010.

SAVE HIGH SCHOOL, Continued

12. **Authorization:** Through inquiry of student activities personnel and review of cash disbursements, we determined that the school primarily used check requests in place of purchase orders to authorize and approve expenditures. All check requisition forms reviewed were signed by the requestor and activities principal and were prepared in advance of purchases. No exceptions were noted.
13. **Safeguarding of Assets:** Through inquiry of student activities personnel, we determined that there are adequate safeguards in place to ensure all cash collected is deposited intact. The school has a lock box to secure cash collected, and access is limited to the student activities clerk and principals. We selected ten cash receipts and determined the average days outstanding before the deposit was posted to the bank account was 11 days.
14. **Ending Cash Balances:** Year-end cash balances are listed below and are based on year-to-date cash balance reports provided by the school.

	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total cash per books	\$1,622	\$1,331	\$3,469

15. **Prior Year Finding:** No prior year findings were noted.

Anchorage School District
Summary of School Responses to Review Findings
Fiscal Year 2009 – 2010
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Anchorage School District
Summary of School Responses to Review Findings

Fiscal Year 2009 – 2010

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Anchorage School District

Summary of School Responses to Review Findings

Fiscal Year 2009 – 2010

East High School

Activities Principal: Denise Edwards

Student Activities – Response

Activities Clerk: Paulette Roberts

EAST HIGH SCHOOL

Administration – Five activities were selected for review and two out of the five (40 percent) did not have proper supporting documentation. Establishment of student clubs is governed according to the High School Handbook Section II-12.

- a. Describe the procedures used to determine if activity groups at your school adhere to administrative requirements?

RESPONSE: A School Club Constitution form is submitted to the Activities Principal and reviewed. It will be approved or denied.

- b. Explain why two activity groups lacked proper documentation.

RESPONSE: Most of East High's recent clubs have proper documentation. Some of our clubs have been in existence for many years and had been operating capably or had ceased to be active. As such, we do not find paperwork on those clubs.

- c. What steps will be taken to ensure proper documentation exists for all activity groups? Include a timeline for implementation of these steps.

RESPONSE: We are reviewing each club for their constitution. If it is found that we do not have a Constitution, a formal request will be put in with the Club Sponsor. As we are near the end of the current school year, we will be reviewing all the clubs over the summer and make requests in the fall to clubs that are missing a Constitution.

- d. What concerns or questions do you have for High School Education with regard to administration of student activity groups?

RESPONSE: None

- e. Is there anything High School Education can do to help ensure all groups have proper documentation?

RESPONSE: No

EAST HIGH SCHOOL

Cash and Investment Accounts – A cash account/fund was being used but had never been set up. Establishment of a cash/change fund is documented in the Student Activity Accounting Manual (SAAM). The SAAM states that all change funds must be set up with a purchase request/ pre-authorization form.

- a. Describe the procedures used at your school to establish a change/cash fund?

RESPONSE: At the present time, we have a \$350.00 Cash Fund at East High. It was set up before the present Activities Clerk (Paulette Roberts) assumed the position of Activities Clerk in fall of 2008.

- b. Explain why this change/cash fund was not set up according to the procedures outlined in 2a.

RESPONSE: It was not set up properly by the prior Clerk. When Ms. Roberts took over the position, she kept the same procedures of the prior Clerk.

- c. What steps will be taken to ensure that proper documentation exists for future change/cash funds? Include a timeline for implementation of these steps.

RESPONSE: As stated in the Activities Accounting Manual, funds will be deposited at the end of the school year and properly set up and assigned to the correct account in the fall for the coming year.

- d. What concerns or questions do you have for accounting with regard to administration of change/cash funds?

RESPONSE: None

- e. Is there anything accounting can do to help ensure change/cash funds have proper documentation?

RESPONSE: No

Deficit Balances – Two activity groups had deficit balances that were not documented and approved by the District. Deficit balance procedures are documented in the SAAM. The SAAM specifically states that deficit balances are not allowed.

- a. Describe the procedures used at your school regarding deficit balances?

EAST HIGH SCHOOL

RESPONSE: Before dispersing funds, we check the current balances in the proper accounts.

- b. Explain why two activity groups had deficit balances and lacked proper documentation.

RESPONSE: Two accounts were allowed to exceed their balances from the prior Activities Principal. Through fund raising, both groups were able to clear their negative balances by the fall semester.

- c. What steps will be taken to ensure that proper documentation exists for deficit balances? Include a timeline for the implementation of these steps.

RESPONSE: We verify that the accounts have positive balances. If a club or team asks for advances on their account, they must show they have the means to bring their account current before the end of the fiscal year.

- d. What concerns or questions do you have for accounting with regard to deficit balances?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all deficit balances have proper documentation?

RESPONSE: No

Transfers – Eight transfer transactions lacked necessary supporting documentation. Transfer procedures are documented in the SAAM. The SAAM states that all transfers need to have the Transfer Authorization form completed.

- a. Describe the transfer procedures used at your school.

RESPONSE: A Transfer Authorization is filled out and signed by the Activities AP.

- b. Explain why eight transfer lacked proper documentation.

RESPONSE: These were monthly bank charges that were completed and the Activities Clerk did not have the AP sign them.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

EAST HIGH SCHOOL

RESPONSE: We fill out the Transfer Authorization every month when the bank statement arrives and have the AP sign the authorization.

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: No

Reporting – Twelve monthly bank reconciliation reports were reviewed and five were not submitted timely (42 percent). The SAAM requires that bank reconciliations be submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: As soon as the monthly bank statements arrive, they are reconciled.

- b. Explain why five bank reconciliations were submitted late.

RESPONSE: With the startup of school, signing up students up for sports, and East High responsible for Cook Inlet Football, it was difficult to address and accurately calculate the bank reconciliations with the high volume of parent, student, staff, and coaches needing assistance in the Activities Office. Consequently, not enough time was allotted for bank reconciliations.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: We have adjusted the office operating hours to allow time two mornings a week for the Activities Principal and the Activities Clerk to review and prioritize accounting/reporting requirements and for the completion of accounting tasks, i.e., bank deposits, bank reconciliations, etc.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

EAST HIGH SCHOOL

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: No

Vending Machine Revenue and Principal's Account – The principal's account exceed the \$5,000 limit established by the District. The SAAM states that expenditures from the principal's account may not exceed \$5,000 during each fiscal year.

- a. Describe the procedures used at your school to track expenditures in the principal's account.

RESPONSE: We review the school activities budget frequently and at a minimum monthly. We verify account balances upon each request for funds.

- b. Explain why the principal's account exceeded the \$5,000 limit in expenditures.

RESPONSE: The Assistant Principal and Activities Clerk were not aware that there was a \$5,000 limit.

- c. What steps will be taken to ensure that the principal's account does not exceed the \$5,000 limit? Include a timeline for implementation of these steps.

RESPONSE: A considerable portion of the Principal's Account expenditures was used for Academic Awards Ceremonies and Student/Academic recognition. Since costs have risen and our school now has the highest enrollment in the state, the amount of these expenditures has risen as well. We reviewed the Principal's Account History for the last 5 years. Since these types of expenditures had been consistent for the past 5 years and have proved meaningful and motivational for students and their families, East will be setting up a separate account entitled: East Academic Awards Support. Funds will be disbursed from Activities to cover this account.

We will continue to periodically review this account and monitor expenditures. In addition, now that the maximum allowable balance for this account has been noted, we will not be approving expenditures that would total over \$5,000 for the year.

- d. What concerns or questions do you have for accounting with regard to the principal's account?

EAST HIGH SCHOOL

RESPONSE: None

- e. Is there anything accounting can do to help ensure the principal's account does not exceed the \$5,000 limit?

RESPONSE: No

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 14.1 days. According to the SAAM, deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: We recently implemented a new office procedure whereby every Tuesday and Thursday mornings, we block a period of time during which to meet and review our accounting procedures as well as create time during which deposits can be made so that we can make bank deposits in a timely manner.

- b. Explain why the bank deposits were not made timely.

RESPONSE: Prior to this year, deposits were made after school when the office was closed or on Saturdays.

- c. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.

RESPONSE: We implemented the Tues/Thurs. dedicated block of time for bank deposits this past winter. Our deposits are now made in a timely manner.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: No

Cook Inlet Football Conference

Activities Principal: Denise Edwards

Student Activities – Response

Activities/Stock Clerk: Paulette Roberts

COOK INLET FOOTBALL CONFERENCE

Transfers – Forty out of 42 (95 percent) transfer transactions lacked necessary supporting documentation. Transfer procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM states that all transfers need to have the Transfer Authorization form completed.

- a. Describe the transfer procedures used at your school.

RESPONSE: A Transfer Authorization is filled out and signed by the Activities AP.

- b. Explain why 40 transfers lacked proper documentation.

RESPONSE: These were monthly bank charges that we completed and the Activities Clerk did not have the AP sign them.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

RESPONSE: We presently have the Transfer Authorization filled out every month with the AP's signature.

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: No

Reporting – Twelve monthly bank reconciliation reports were reviewed and six were not submitted timely (50 percent). The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: As soon as the monthly bank statements arrive, they are reconciled.

COOK INLET FOOTBALL CONFERENCE

- b. Explain why six bank reconciliations were submitted late.

RESPONSE: With the startup of school, signing students up for sports, and CIFC football, time was not allotted for bank reconciliations.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: We have adjusted the office operating hours to allow for time two mornings a week for the completion of accounting tasks.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: No

Safeguarding of Assets – Of ten cash receipts selected, the average day outstanding (time between deposits) was 9.6 days. According to the SAAM, deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is meeting this requirement.

- a. Describe the procedures used at your school for bank deposits/

RESPONSE: Every Monday the AFS Stadium Manager brings or faxes in their gate reconciliation. They deposit to the Bank Drop Box after each game. Field Managers at Dimond & Chugiak fields give their gate money to their respective Activities Clerks. The Clerks in turn give the gate receipts to CIFC at the end of the season.

- b. Explain why the bank deposits were not made timely.

RESPONSE: To the best of our knowledge, our deposits were made in a timely manner. Bank drops made on the weekend sometimes do not get posted until Tues/Wed of the following week

COOK INLET FOOTBALL CONFERENCE

- c. What steps will be taken to ensure that all future deposits are made timely?
Include a timeline for implementation of these steps.

RESPONSE: CIFIC will be monitoring weekly that deposits are made in a timely manner.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: No

WEST HIGH SCHOOL

Administration – Five activities were selected for review and three out of the five (60 percent) did not have proper supporting documentation. Establishment of student clubs is governed according to the High School Handbook Section II-12.

- a. Describe the procedures used to determine if activity groups at your school adhere to administrative requirements?

RESPONSE: A standardized form is filled out by students interested in forming a club. It is reviewed for appropriateness, relevance, and adherence to District policies. Once that has been determined, it is either approved or denied by the activities principal.

- b. Explain why three activity groups lacked proper documentation.

RESPONSE: Previous activities principal received request for clubs and approved those requests. It's possible the clubs in question were long standing clubs that lacked updated documentation.

- c. What steps will be taken to ensure proper documentation exists for all activity groups? Include a timeline for implementation of these steps.

RESPONSE: We are reviewing all Club paperwork to assure that the forms and constitutions are complete and they are still operating as a viable club within the District guidelines. We are deleting those that are no longer operating and requesting updated information from those in question or that have incomplete data. We anticipate this process will be complete before we check out in June.

- d. What concerns or questions do you have for High School Education with regard to administration of student activity groups?

RESPONSE: None

- e. Is there anything High School Education can do to help ensure all groups have proper documentation?

RESPONSE: No

WEST HIGH SCHOOL

Deficit Balances – Sixteen activity groups had deficit balances that were not documented and approved by the District. Deficit balance procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM specifically states that deficit balances are not allowed.

- a. Describe the procedures used at your school regarding deficit balances?

RESPONSE: We monitor activities and have notified clubs of their deficit and ask them for their plan of action to remedy the deficit. The plan must be in writing and signed by club sponsor. The activities principal does not sign any PO's or check requests unless there is money in the club account to cover the amount requested. To "zero out" deficit balances, Activities will attempt to assist if monies are available.

- b. Explain why 16 activity groups had deficit balances and lacked proper documentation.

RESPONSE: Many of the deficits are in the "A" account and requests for rebillables have been previously and are again being submitted. The deficits in the "B" accounts were long standing deficits and sponsors had been allowed to spend funds without proof that there were funds to cover the purchases. Clubs are and will continue to fundraise to eliminate their account deficits.

- c. What steps will be taken to ensure that proper documentation exists for deficit balances? Include a timeline for the implementation of these steps.

RESPONSE: We are thoroughly reviewing requests for funds from club accounts and will not approve requests or sign checks unless funds are available. We have set a goal of October 1, 2012 to have all of the club accounts deficits erased.

- d. What concerns or questions do you have for accounting with regard to deficit balances?

RESPONSE: None.

- e. Is there anything accounting can do to help ensure all deficit balances have proper documentation?

RESPONSE: No

WEST HIGH SCHOOL

Transfers – Five transfer transactions lacked necessary supporting documentation. Transfer procedures are documented in the SAAM. The SAAM states that all transfers need to have the Transfer Authorization form completed.

- a. Describe the transfer procedures used at your school.

RESPONSE: If a transfer is necessary, a transfer authorization is initiated by the activities clerk or club sponsor and signed by the sponsor and activities principal.

- b. Explain why five transfer lacked proper documentation.

RESPONSE: Previous activities principal approved all transfers between accounts. The transfers in question were transferred without the knowledge of the activities principal.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

RESPONSE: Both the activities principal and clerk are more mindful of procedures. These procedures are in place at this time.

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None.

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: No

Cash Receipts – Sixteen transactions out of 55 (29 percent) did not have proper authorization on the money count sheet. Cash receipt procedures are documented in the SAAM as well as the IFAS and Beyond manual. The SAAM specifically states that all money count sheets must be completed and signed.

- a. Describe the cash receipts procedures used at your school.

RESPONSE: See attached cash handling procedures implemented in November.

- b. Explain why 16 cash receipts did not have proper documentation.

RESPONSE: Staff members did not follow proper procedure and the clerk should not have accepted deposits without a completed money count sheet.

WEST HIGH SCHOOL

- c. What steps will be taken to ensure that all future money count sheets are completed and signed? Include a timeline for implementation of these steps.

RESPONSE: Our goal is to have money counted by sponsor and activities clerk at the time it is deposited at the activities office, all documentation completed in full, and a receipt issued. If money cannot be verified at the time it is deposited, a bag receipt will be issued verifying the deposit. At the time it is verified and counted by activities clerk, a receipt will be issued. We are instituting these procedures at this time.

- d. What concerns or questions do you have for accounting with regard to cash receipts?

RESPONSE: None.

- e. Is there anything accounting can do to help ensure all future receipts have proper documentation?

RESPONSE: No.

Cash Disbursements – Twenty transactions out of 80 (25 percent) did not have supporting documentation or proper authorization. Cash disbursements procedures are documented in the SAAM. The SAAM specifically states that all disbursement of funds must be fully documented and should be pre-authorized.

- a. Describe the cash disbursement procedures used at your school.

RESPONSE: The preferred method is for a PO to be initiated by the sponsor, funds verified by the clerk and approval by the activities principal. If that is not possible, a check request or a pre-authorization of funds is submitted for approval.

- b. Explain why 20 cash disbursements lacked proper documentation or authorization.

RESPONSE: Proper procedures were in place; however they were not always adhered to, i.e. prior verification of funds and approval before checks were written or PO's issued.

- c. What steps will be taken to ensure all future cash disbursements are authorized and fully documented? Include a timeline for implementation of these steps.

RESPONSE: We require a check request, P.O. request, or pre-authorization for all transactions on activity accounts and receipts are required on pre-authorizations prior to disbursements being issued. We have already implemented these procedures.

WEST HIGH SCHOOL

- d. What concerns or questions do you have for accounting with regard to cash disbursements?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all cash disbursements have proper documentation and authorization?

RESPONSE: No

Reporting – Twelve monthly bank reconciliation reports were reviewed and all 12 were not filed timely. The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: Bank statements are received, opened and signed by the activities principal. The activities clerk completes the reconciliation and the activities principal approves the report before it is sent to Accounting.

- b. Explain why twelve bank reconciliations were submitted late.

RESPONSE: The previous activities principal directed the clerk to submit the reconciliations timely. However, the clerk was unable to balance them so the District accounting office was contacted by activities principal; assistance was provided to clerk and reconciliations were submitted.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: Since the new activities clerk has been hired, all bank reconciliations have been completed and current ones have been submitted on a timely basis.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: None.

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: No

Deficit Balances – Two activity groups had deficit balances that were not documented and approved by the District. Deficit balance procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM specifically states that deficit balances are not allowed.

- a. Describe the procedures used at your school regarding deficit balances?

RESPONSE: A plan has been implemented to assure that no funds are disbursed unless there are funds available in the account. We are currently working on correcting the deficit in our activity accounts. Vending revenue will be used to alleviate deficits in the accounts.

- b. Explain why two activity groups had deficit balances and lacked proper documentation.

RESPONSE: Senior account deficit: The deficit occurred when a field trip funds for bus and lunch for students were charged to the Senior account rather than the general account. We will be transferring funds to cover the deficit.

Close Up account deficit: Money that was collected by sponsors for the Close up account was less than what was spent by the sponsors for the students on the trip. Unexpected expenses occurred during the trip for student meals and extra baggage fees. We will be transferring funds to cover this deficit.

In the future steps will be taken to assure funds are being spent from the proper accounts and the Student Activity Fund Deficit Balance Agreement forms found in of the student activity book will be filled out and attached.

- c. What steps will be taken to ensure that proper documentation exists for deficit balances? Include a timeline for the implementation of these steps.

RESPONSE: I will check accounts prior to requests for expenditures to make sure funds are available and in the case of a deficit have the Principal sign the Student Activity Fund Deficit Balance Agreement form. For example fundraising purchases that will generate revenue may cause an initial deficit that will be made up by sales. These steps will be implemented immediately.

- d. What concerns or questions do you have for accounting with regard to deficit balances?

RESPONSE: None at this time.

- e. Is there anything accounting can do to help ensure all deficit balances have proper documentation?

RESPONSE: District training for FDCC's, Activity Clerks, especially in the area of AA pro and money handling procedures. Mentorship for new employees to ensure district policies and procedures are being carried out per district guidelines. Further mentorship for employees as policy and procedure change.

Transfers – Six out of 36 (17 percent) transfer transactions lacked necessary supporting documentation. Transfer procedures are documented in the SAAM. The SAAM states that all transfers need to have the Transfer Authorization form completed.

- a. Describe the transfer procedures used at your school.

RESPONSE: The transfer authorization form is filled out noting credits, debits, and any adjustments made during the month. Prior to the auditors review I did not know I could transfer funds within the appropriate accounts. In addition I now understand when transferring funds I must have prior authorization.

- b. Explain why six transfers lacked proper documentation.

RESPONSE: Prior to meeting with the Student Activities Accountant I was unaware that I needed to use the transfer authorization form. This was corrected immediately and the forms have been used since that time.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

RESPONSE: Transfer authorization forms are currently being used on a monthly basis when reconciling the activity account. This was corrected immediately after being informed by the previous Student Activities Accountant.

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: Nothing at this time.

SAVE

Reporting – Twelve monthly bank reconciliation reports were reviewed and four were not submitted timely (33 percent). The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: When my monthly bank statement is received in the mail I reconcile my account within 24 to 48 hours. I enter in all checks, receipts, and adjustments to make sure the accounts balance. I have the reconciliation signed and sent over to accounting the day of reconciliation through inter district mail.

- b. Explain why four bank reconciliations were submitted late.

RESPONSE: It was an oversight and time management issue on my part. Since notification from the auditors I have been reconciling statements each month upon receiving my statement in the mail.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: I reconcile my account within 1 to 2 days of receiving my monthly bank statement in the mail. I have the reconciliation signed and placed in inter district mail the day I complete the reconciliation.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: When I have a question or concern I contact the proper personnel in the accounting office to assist me with reconciling my accounts in a timely manner.

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: Bank statements have been reconciled monthly since noted by auditor. All statement will be submitted in a timely manner.

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 11 days. According to the SAAM, deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

SAVE

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: Deposits are received and counted with a witness, a receipt is attached to the money count sheet and a receipt is given to the person delivering the deposit. Deposits are securely locked in a safe until designated personnel take the deposit to the bank. The deposit is now taken to the bank on Friday of the week it is received.

- b. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.

RESPONSE: We have designated personnel to make weekly deposits as needed. Deposits will be taken to the bank in the week they are received. We have designated Friday as the day for bank deposits. The procedure was implemented immediately after being noted in the audit.

- c. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: None

- d. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: None

Central Middle School

Activities Principal: Lisa Zelenkov

Student Activities – Response

Activities/Stock Clerk: Kellie Fagan

CENTRAL MIDDLE SCHOOL

Transfers – Thirteen out of 68 (19 percent) transfer transactions lacked necessary supporting documentation and 41 out of 68 (60 percent) transfer transactions lacked authorization documentation. Transfer procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM states that all transfers need to have the Transfer Authorization form completed.

- a. Describe the transfer procedures used at your school.

RESPONSE: The FDCC fills out transfer authorization form S/A form # 110. States in full detail the reason for the transfer. The form requires two signatures for approval, the sponsor and the principal. After the approval the entry is recorded into activities accounting pro as an expense adjustment. The total amount of the entry always equals zero.

- b. Explain why 13 transfers lacked proper documentation.

RESPONSE: The former FDCC was not making sure all transfer forms were being filled out and approved. Since the new FDCC started she was trained to do all transfers according to ASD specifications. The former FDCC no longer works for Central MS.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

RESPONSE: I am the new FDCC, I was trained on these procedures and have been following them from when I started in January 2011.

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: None

Cash Disbursements – Six transactions out of 37 (16 percent) did not have supporting documentation or proper authorization. Cash disbursements procedures are documented in the SAAM. The SAAM specifically states that all disbursement of funds must be fully documented and should be pre-authorized.

CENTRAL MIDDLE SCHOOL

- a. Describe the cash disbursement procedures used at your school.

RESPONSE: The FDCC receives Purchase Request from the staff. The FDCC checks the funds availability and gets authorization from the Principal before proceeding with the cash disbursement.

- b. Explain why six cash disbursements lacked proper documentation or authorization.

RESPONSE: The reason there were missing documentation is there was a former FDCC that was not following the procedures. It is up to the FDCC to make sure the funds are in the necessary accounts and has the Principal approve it before a check is made. That was not being done.

- c. What steps will be taken to ensure all future cash disbursements are authorized and fully documented? Include a timeline for implementation of these steps.

RESPONSE: Since January 2011 the new FDC and the Principal have made changes to the way cash disbursements are made. The procedures from Anchorage School District are strictly being followed to ensure all documentation is in order.

- d. What concerns or questions do you have for accounting with regard to cash disbursements?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all cash disbursements have proper documentation and authorization?

RESPONSE: None

Reporting – Twelve monthly bank reconciliation reports were reviewed and six were not submitted timely (50 percent). The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: The FDCC receives the bank statement and reconciles the bank statement by the end of the month.

CENTRAL MIDDLE SCHOOL

- b. Explain why six bank reconciliations were submitted late.

RESPONSE: At the beginning of this school year there was a different FDCC that was not keeping up with the bank reconciliations. She is no longer employed with the district.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: Beginning in January 2011 a new FDCC was hired and trained to make sure all bank reconciliations are finished at the proper time. Since that time all bank reconciliations from October through December was completed and all bank reconciliations from January 2011 on have been on time.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: None

Clark Middle School

Activities Principal: Cessilye Williams

Student Activities – Response

Activities/Stock Clerk: Meliza Hilario

CLARK MIDDLE SCHOOL

Deficit Balances – Two activity groups had deficit balances that were not documented and approved by the District. Deficit balance procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM specifically states that deficit balances are not allowed.

- a. Describe the procedures used at your school regarding deficit balances?

RESPONSE: Deficit balances are not allowed for any activity or account. The Principal may allow an organization to over expend their account if it can be rectified before the end of the current fiscal year, using deficit Balance form as provided in the SAAM appendix C. Procedure implemented after being addressed by the auditor.

- b. Explain why two activity groups had deficit balances and lacked proper documentation.

RESPONSE: Two deficit balances did not have adequate documentation of District approval. On two field trips team teachers allowed additional students to attend the activity without collecting sufficient funds thus causing a deficit balance.

- c. What steps will be taken to ensure that proper documentation exists for deficit balances? Include a timeline for the implementation of these steps.

RESPONSE: To ensure proper documentation for the deficit balance, FDCC should run a month-end report and the team that has a deficit balance should be notified within the day. A Deficit Balance Agreement Form should be signed with the Principal's approval. In the event that a team/organization can not cover deficit, the deficit balance should be made up from Vending Machine or School Store Acct. (Transfer Authorization form) by the 15th of the following month. Implemented after audit.

- d. What concerns or questions do you have for Secondary Education with regard to deficit balances?

RESPONSE: None

CLARK MIDDLE SCHOOL

- e. Is there anything Secondary Education can do to help ensure all deficit balances have proper documentation?

RESPONSE: It would be appreciated if someone from accounting would stop by and check in on a quarterly basis to ensure that my procedures and practices are correct to avoid any errors through speedy corrections in my accounting practices.

Transfers – Out of 45 transfer transactions reviewed, 42 (93 percent) lacked necessary supporting documentation. Transfer procedures are documented in the SAAM. The SAAM states that all transfers need to have the Transfer Authorization form completed.

School was without an FDCC during the months of August to October.

- a. Describe the transfer procedures used at your school.

RESPONSE: Complete Transfer Authorization form before the transfer or adjustment of funds. The reason for the transfer should be explained in detail. Signatures of the sponsor team and the signature of the Principal are required.

- b. Explain why 42 transfers lacked proper documentation.

RESPONSE: Majority of the transfer documents that were audited during the period prior to October, 2009 were completed by various substitute Financial Data Control Clerks. Upon being hired for this position I simply followed past practice in completing transfers. Most of the audit findings are during the transition period. Some adjustments are for prior year but were posted late.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

RESPONSE: All signatures will be acquired by FDCC before any transfer or adjustment of funds (Transfer Authorization Form). Generate a month-end report and check all adjustments & transfers have the proper documentations & approval. Currently in place.

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None

CLARK MIDDLE SCHOOL

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: It would be appreciated if someone from accounting would stop by and check in on a quarterly bases to ensure that my procedures and practices are correct to avoid any errors through speedy corrections in my accounting practices.

Cash Receipts –Out of 113 transactions reviewed, 81 (72 percent) transactions did not have a copy of the deposit slip or other supporting documentation. Cash receipt procedures are documented in the SAAM as well as the IFAS and Beyond manual. The SAAM specifically states that all deposit slips must be attached to receipts.

- a. Describe the cash receipts procedures used at your school.

RESPONSE: In accordance with District policy relating to cash receipts and to determine if they were properly recorded as to amount, period and activity account coding. We verified that a cash receipt was issued for all monies collected, that the amount of checks and cash included on the bank deposit slip agreed with the total amount that is included on the money count sheet and receipt, and money count sheets were used, if applicable.

- b. Explain why 81 cash receipts did not have proper documentation.

RESPONSE: The deposit slip was/is complete however it was still in the booklet and was not attached to the journal and cash receipts because of oversight.

- c. What steps will be taken to ensure that all future money count sheets are completed and signed? Include a timeline for implementation of these steps.

RESPONSE: Attaching all deposit slips, Money count sheets, to cash receipt reports has been implemented .

- d. What concerns or questions do you have for accounting with regard to cash receipts?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all future receipts have proper documentation?

RESPONSE: It would be appreciated if someone from accounting would stop by and check in on a quarterly bases to ensure that my procedures and practices are correct to avoid any errors through speedy corrections in my accounting practices.

CLARK MIDDLE SCHOOL

Cash Disbursements – Out of 148 cash disbursements reviewed, 76 transactions (51 percent) did not have supporting documentation or proper authorization. Cash disbursement procedures are documented in the SAAM. The SAAM specifically states that all disbursement of funds must be fully documented and should be pre-authorized.

- a. Describe the cash disbursement procedures used at your school.

RESPONSE: Disbursement should be pre-authorized, using the Pre Authorization Form to ensure sufficient funds are available. We use Purchase order on some requisition or Personal Service Contract when service will be performed.

- b. Explain why 76 cash disbursements lacked proper documentation or authorization.

RESPONSE: Fifty-Eight refunds were given from one authorization request, including names of individuals to receive these refunds. This was performed prior to my becoming part of the organization. Having received no formal training a disbursement was issued to cover the entire cost. The team involved made the actual refunds.

Current implementation is for all teams to request refunds for each individual, on separate request forms and submit these. Once approval is given a separate individual check will be issued for the refund.

The remaining Life Skills/Sp. Ed. Activities will require a request for the funds necessary at the time of approval. This request will cover all expenditures needed for the approved period of time. A blanket purchase order will be generated and disbursements will be made against it for those activities that were approved, and subsequent receipt has been received.

- c. What steps will be taken to ensure all future cash disbursements are authorized and fully documented? Include a timeline for implementation of these steps.

RESPONSE: The following should be completed before a check is printed.

1. Attached any of the following to the duly signed Check Request Form/Pre-Authorization Form: Original copy of an Invoice; Receipt; Personal Service Contract; Purchase Order; packing slip with note that items are received
2. Preliminary journal should be printed every Friday to check accuracy & completion of supporting documents.
3. Check Disbursement Journal should be printed every 15th & 30th of the month. All checks & supporting documents should be attached and filed with it.

Currently in place after audit.

CLARK MIDDLE SCHOOL

- d. What concerns or questions do you have for accounting with regard to cash disbursements?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all cash disbursements have proper documentation and authorization?

RESPONSE: It would be appreciated if someone from accounting would stop by and check in on a quarterly basis to ensure that my procedures and practices are correct to avoid any errors through speedy corrections in my accounting practices.

Reporting – Twelve monthly bank reconciliation reports were reviewed and eight were not submitted timely (67 percent). The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE:

1. We should see to it that we receive the Bank Statement every 7th of Month.
2. Do preliminary bank reconciliation by the 15th.
3. Meets with the Principal and complete the bank reconciliation by the 25th of the month; forward to Acctg. Dept. upon completion.
4. Currently in place.

- b. Explain why eight bank reconciliations were submitted late.

RESPONSE: Most findings were during the transition period prior to my hire.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: Currently implemented pursuant to the activities audit.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: None

CLARK MIDDLE SCHOOL

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: It would be appreciated if someone from accounting would stop by and check in on a quarterly bases to ensure that my procedures and practices are correct to avoid any errors through speedy corrections in my accounting practices.

The preferred date would be October 30-1st quarter/January 31-2nd quarter/May 30-to last quarter.

Safeguarding of Assets – Of ten cash receipts selected, the average day outstanding (time between deposits) could not be determined. According to the SAAM, deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: Deposit should be deposited on a timely basis. Once a week or more often if the amount is more than \$1,500. Large sum should be deposited within a day.

- b. Explain why the bank deposits were not made timely.

RESPONSE: School was without an FDCC during the months of August to October. We were trying to get systems caught up without adequate training in order to remain as current as possible.

- c. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.

RESPONSE: Bank deposits will be made by Friday (once per week) minimum. Anything deposits in the amount exceeding \$1500.00 will be made that day.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: It would be appreciated if someone from accounting would stop by and check in on a quarterly bases to ensure that my procedures and practices are correct to avoid any errors through speedy corrections in my accounting practices.

HANSHEW MIDDLE SCHOOL

Deficit Balances – Four activity groups had deficit balances that were not documented and approved by the District. Deficit balance procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM specifically states that deficit balances are not allowed.

- a. Describe the procedures used at your school regarding deficit balances?

RESPONSE: We don't know what the procedures were at the school regarding deficit balances for 2009-10 school year. To date there are no deficit balances in the Student Activity Accounts, and as stated in the manual, Deficit Balances are not allowed. Current Procedures are to run reports weekly, check the current balances, and outstanding Purchase Orders. Use Purchase Orders and Purchase Request/Pre-Authorization forms utilizing the For Office Use Only space for Funds Available, PO number, and Amount Not to Exceed.

- b. Explain why four activity groups had deficit balances and lacked proper documentation.

RESPONSE: The deficit balances that were found were due to old purchase orders from 2005 and 2006 in the Team Activity Accounts that were never cleared. I've since cleared them and currently have no deficit accounts. We don't know why there was no documentation, a guess would be PO's set up, never used, and not cleared off of accounts.

- c. What steps will be taken to ensure that proper documentation exists for deficit balances? Include a timeline for the implementation of these steps.

RESPONSE: Since I, (Tami Stoutenburgh, FDCC), have started at Hanshew Middle School the proper documentation has been collected with each transaction. Implementation of this began Nov.18, 2010 and will continue.

- d. What concerns or questions do you have for accounting with regard to deficit balances?

RESPONSE: None at this time.

- e. Is there anything accounting can do to help ensure all deficit balances have proper documentation?

RESPONSE: Training

HANSHEW MIDDLE SCHOOL

Transfers – Twenty-five out of 38 (66 percent) transfer transactions lacked necessary supporting documentation. Transfer procedures are documented in the SAAM. The SAAM states that all transfers need to have the Transfer Authorization form completed.

- a. Describe the transfer procedures used at your school.

RESPONSE: When there is a need to do a transfer of funds, a Transfer Authorization form is filled out with the documentation attached, signed by the principal and input in the proper AA Pro account.

- b. Explain why 25 transfers lacked proper documentation.

RESPONSE: We are unable to answer as to why 25 transfers lacked proper documentation as neither Julye Neel, Principal or I, (Tami Stoutenburgh, FDCC), were not present at Hanshaw Middle School last school year, 2009-10. Current process for making Transfers is to use the Transfer Authorization Form, state reason in full detail, get signature authorizations required and attach any back-up documentation before entering and posting transaction in AA Pro.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

RESPONSE: Steps to be followed to ensure all future transfers have documentation is to follow the Transfer procedures that are outlined in the SAAM. As of Nov. 18, 2010 Transfer Authorization forms are being filled out for transferring funds between accounts. As of the Audit date, Feb. 2011, Transfer Authorization forms are being filled out for one-way transfers, as I, (Tami Stoutenburgh, FDCC), was unaware that one-way transfers were to be done for interest from the bank, returned checks or any other items to be transferred.

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None at this time.

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: Training

Cash Receipts – Seven transactions out of 39 (18 percent) did not have proper authorization on the money count sheet or the receipt was issued after the deposit date. Cash receipt procedures are documented in the SAAM as well as the IFAS and Beyond manual. The SAAM specifically states that all money count sheets must be completed and signed.

HANSHEW MIDDLE SCHOOL

- a. Describe the cash receipts procedures used at your school.

RESPONSE: All monies are turned into the FDCC, receipted and input into the proper AA Pro accounts.

- b. Explain why seven cash receipts did not have proper documentation.

RESPONSE: We are unable to answer as to why seven cash receipts did not have proper documentation as neither Julye Neel, Principal or I, (Tami Stoutenburgh, FDCC), was not present at Hanshew Middle School last school year, 2009-10.

- c. What steps will be taken to ensure that all future money count sheets are completed and signed? Include a timeline for implementation of these steps.

RESPONSE: Steps to be followed to ensure that all future money count sheets are completed and signed is to look over the Money Count sheets as they are turned in and follow the procedural guidelines in SAAM. This has been implemented as of Nov. 18, 2010.

- d. What concerns or questions do you have for accounting with regard to cash receipts?

RESPONSE: None at this time.

- e. Is there anything accounting can do to help ensure all future receipts have proper documentation?

RESPONSE: Training

Cash Disbursements – 65 transactions out of 150 (43 percent) did not have supporting documentation, proper authorization or lacked receipt of goods. Cash disbursements procedures are documented in the SAAM. The SAAM specifically states that all disbursement of funds must be fully documented and should be pre-authorized.

- a. Describe the cash disbursement procedures used at your school.

RESPONSE: Procedures for disbursements, a pre-authorization cash disbursement form is filled out, accounts are checked to see that the disbursement does not exceed the account balance, is approved by the principal and documentation is attached.

HANSHEW MIDDLE SCHOOL

- b. Explain why 65 cash disbursements lacked proper documentation or authorization.

RESPONSE: We are unable to answer as to why 65 cash disbursements lacked proper documentation as neither Julye Neel, Principal or I, (Tami Stoutenburgh, FDCC), was not present at Hanshew Middle School last school year, 2009-10.

- c. What steps will be taken to ensure all future cash disbursements are authorized and fully documented? Include a timeline for implementation of these steps.

RESPONSE: Follow the cash disbursement guidelines in the SAAM and review that all proper documentation is adequate before the disbursement is issued. This has been implemented as of Nov. 18, 2011.

- d. What concerns or questions do you have for accounting with regard to cash disbursements?

RESPONSE: None at this time.

- e. Is there anything accounting can do to help ensure all cash disbursements have proper documentation and authorization?

RESPONSE: Training

Reporting – Twelve monthly bank reconciliation reports were reviewed and six were not submitted timely (50 percent). The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: When the Bank Statement arrives at the school around the 10th of the each month for the previous month. I, (Tami Stoutenburgh, FDCC), gather the information needed to reconcile the bank statement, have my Principal, (Julye Neel), look it over and sign off on it, make copies and submit it to the accounting department. This can all be achieved with in a couple of days.

- b. Explain why six bank reconciliations were submitted late.

RESPONSE: We are unable to answer why 6 bank reconciliations were submitted late, as neither Julye Neel, Principal or I, (Tami Stoutenburgh, FDCC) was not present at Hanshew Middle School last school year, 2009-10.

HANSHEW MIDDLE SCHOOL

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: When the bank statement arrives at the school, make it a priority to get it done in a timely manner, and submit to the accounting department by the 30th of each month. With the exception of October 2010 bank statement, due to Hanshew Middle School not having an FDCC, this has been implemented as of Nov. 18, 2010.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: Training

In closing there is a question I have across the board. Can there be quarterly or monthly meetings for all FDCC's, Stock Clerks, and Activity Clerks to go over questions, concerns, new procedures, etc?

Mears Middle School

Activities Principal: Michael Perkins

Student Activities – Response

Activities/Stock Clerk: Bob Dockter

MEARS MIDDLE SCHOOL

Transfers – 29 out of 57 (51 percent) transfer transactions lacked necessary supporting documentation. Transfer procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM states that all transfers need to have the Transfer Authorization form completed.

- a. Describe the transfer procedures used at your school.
- b. Explain why 29 transfers lacked proper documentation.
- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.
- d. What concerns or questions do you have for accounting with regard to transfers?
- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: Prior to the 2009-2010 school years, bank interest and NSF Check adjustments had not been transferred to an adjustment transfer slip prior to making the necessary adjustments. They were entered into the system from the bank statement. During the audit in 2009-2010 the auditor informed me that it was the more correct way of doing these transactions. Beginning at that time all Interest and NSF checks now are put on transfer forms and entered into the system after Administrative approval. Because this started in the middle of the year the prior forms were not part of the files. These are the 29 that the auditor found and noted. All since then have been correctly documented, and will continue to be. The steps outlined in the report have been in place since we were informed of the problem 2009-2010.

Cash Disbursements – Two transactions out of 19 (11 percent) did not have supporting documentation or proper authorization. Cash disbursements procedures are documented in the SAAM. The SAAM specifically states that all disbursement of funds must be fully documented and should be pre-authorized.

- a. Describe the cash disbursement procedures used at your school.
- b. Explain why two cash disbursements lacked proper documentation or authorization.
- c. What steps will be taken to ensure all future cash disbursements are authorized and fully documented? Include a timeline for implementation of these steps.
- d. What concerns or questions do you have for accounting with regard to cash disbursements?

MEARS MIDDLE SCHOOL

- e. Is there anything accounting can do to help ensure all cash disbursements have proper documentation and authorization?

RESPONSE: All requests are submitted in writing to the Principal for his approval and then forwarded to the FDCC. All requests are turned into Purchase Orders and issued to the requesting organization. They are then issued to the vendor, and upon receipt of a proper invoice or receipt, are paid. All documentation is attached to the original Purchase request and filed.

The auditor noted two disbursement transactions that he was unable to find in the files. Those two documents were found the afternoon he was here, after he left and faxed to his offices.

One was in the correct folder but inadvertently placed in the front. The second was slipped into the wrong folder directly behind the correct one.

All parts of the documentation were present and duly approved. A greater attention to detail will be used to reduce and assist in prevention of further filing errors.

Reporting – Twelve monthly bank reconciliation reports were reviewed and nine were not submitted timely (75 percent). The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.
- b. Explain why nine bank reconciliations were submitted late.
- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.
- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?
- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: When bank statements are received they are processed with every attempt to submit them in a timely manner accurately. Three statements were late on account of a single penny that I was unable to reconcile, once it was found those were sent in. Two were late because I did not receive statements from the bank on time and needed to call them for copies. The remainder was from prioritization, which will be given priority one.

MEARS MIDDLE SCHOOL

Since the auditors conference all steps necessary have been implemented to get and complete statements prior to the end of each month and sent to accounting. Issues with the bank have greatly improved and hopefully will help this effort.

All monthly reconciliations will be completed prior to the end of the Month.

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 15 days. According to the SAAM, deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

- a. Describe the procedures used at your school for bank deposits.
- b. Explain why the bank deposits were not made timely.
- c. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.
- d. What concerns or questions do you have for accounting with regard to bank deposits?
- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: Money is turned in by the different organizations. Money bag receipts and money count sheets were taken and signed for per appendix c money bag receipt when unable to count immediately. Money was placed in the safe until I was able to recount it and process it. Once processed it was given to the Activities Principal for deposit. Receipts are returned and attached to paperwork and filed. Many times there are and have been time constraints both on myself and the Activities principal which have prevented deposits going to or being prepared for the bank. Every attempt is and has been made to reduce or minimize these instances and follow the guidelines as close as possible.

Many times during the processing organizations continue to drop of money making deposits larger. In an attempt to get all of them processed deposits have been held and recounted to include these items.

All money will be counted right away with the person who is dropping it off, and by Friday of every week deposits will be made without exception.

ROMIG MIDDLE SCHOOL

Transfers – 69 out of 94 (73 percent) transfer transactions lacked necessary supporting documentation or approval. Transfer procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM states that all transfers need to have the Transfer Authorization form completed.

- a. Describe the transfer procedures used at your school.

RESPONSE: All transfers require the completion of either the Transfer Authorization form, S/A #110, for fund transfers, or the Adjustment Authorization form, S/A #115, for adjustments made for bank interest and NSF checks & fees. The signature of the team/teacher and the principal will be obtained for authorization of the transfer.

- b. Explain why 69 transfers lacked proper documentation.

RESPONSE: It was an oversight as to the new procedure that was implemented prior to the fiscal year with respect to bank interest, NSF checks and fees.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

RESPONSE: In ensuring all future transfers have documentation with proper approval, proper documentation will be attached subsequently from here on.

Explain the process with the date the procedure was implemented as opposed to “from here on out.”

All transfers, bank interest, and NSF checks for FY 2011 have the necessary authorized documentation attached. Authorization documentation has been retroactively received as of August 2010.

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: Recurring notification of policy changes would be desirable.

ROMIG MIDDLE SCHOOL

Cash Receipts – One transactions out of 42 (2 percent) did not have proper authorization on the money count sheet. Cash receipt procedures are documented in the SAAM as well as the IFAS and Beyond manual. The SAAM specifically states that all money count sheets must be completed and signed.

- a. Describe the cash receipts procedures used at your school.

RESPONSE: Each sponsor that deposits funds with the FDCC is to fill out a money count sheet. We strive to comply with the cash receipts procedures stated in the Student Activities Accounting Manual.

- b. Explain why one cash receipt did not have proper documentation.

RESPONSE: One cash receipt lacked a signature because it was an oversight.

- c. What steps will be taken to ensure that all future money count sheets are completed and signed? Include a timeline for implementation of these steps.

RESPONSE: In ensuring all future money count sheets are signed, a more thorough overview of each sheet will be done monthly.

Explain the process more with a time line. Who is it signed by (name of the person's position). When you say "monthly" - When? Who? Timeline for implementing.

When a team or teacher is ready to deposit funds, a Money Count Sheet is completed by the teacher depositing the money. Upon receipt of the deposit, the FDCC will count the cash & verify the correct amount on the sheet, making sure the money count sheet is complete and signed. A receipt will be prepared and given to the teacher who remitted the funds immediately.

(The FDCC will review all documentation monthly to assure all documentation is attached when she completes the reporting & bank statement reconciliation, checking for any missing documents. Any records missing will be investigated as to their whereabouts, but this step is specifically to guarantee no errors were made.)

- d. What concerns or questions do you have for accounting with regard to cash receipts?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all future receipts have proper documentation?

RESPONSE: Nothing at this time.

ROMIG MIDDLE SCHOOL

Cash Disbursements – Three transactions out of 46 (7 percent) did not have supporting documentation or proper authorization. Cash disbursements procedures are documented in the SAAM. The SAAM specifically states that all disbursement of funds must be fully documented and should be pre-authorized.

- a. Describe the cash disbursement procedures used at your school.

RESPONSE: We strive to comply with the cash disbursements procedures stated in the Student Activity Accounting Manual.

- b. Explain why three cash disbursements lacked proper documentation or authorization.

RESPONSE: The FDCC will withhold payment without proper supporting documentation and will follow-up with attaining proper pre-authorization. These cash disbursements lacked proper documentation, receipt, or authorization due to field trips where the receipts were not received by the teacher or organization (Bear Tooth, West HS Pool). Follow-up will be enforced for proper documentation/receipt from the organization sponsor.

- c. What steps will be taken to ensure all future cash disbursements are authorized and fully documented? Include a timeline for implementation of these steps.

RESPONSE: In ensuring all future cash disbursements have documentation with proper approval, all attempt to guarantee that the proper documentation will be attached. Every month the FDCC will check over all cash disbursements to assure proper documentation. These steps have been implemented for FY 2011. All cash disbursements must have proper documentation and approval.

- d. What concerns or questions do you have for accounting with regard to cash disbursements?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all cash disbursements have proper documentation and authorization?

RESPONSE: Nothing at this time.

ROMIG MIDDLE SCHOOL

Reporting – Twelve monthly bank reconciliation reports were reviewed and five were not submitted timely (42 percent). The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: We strive to comply with the reporting procedures stated in the Student Activity Accounting Manual. Once the bank statement has arrived in the mail, the principal will review, initial, and date the statement and forward to the FDCC. The FDCC will reconcile the statement and print corresponding reports to submit to Accounting within the time referenced in the SAAM, no later than the last day of the subsequent month.

- b. Explain why five bank reconciliations were submitted late.

RESPONSE: It was an oversight that the deadlines were not met.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: In ensuring all future bank reconciliations will be submitted on time, every effort will be to submit the bank reconciliations by the end of the following month. On the 25th of each month, the FDCC will document on her calendar as to the upcoming deadline. The FDCC will inform the principal via email when the bank reconciliation and reports have been submitted to Accounting.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: Accounting could send out monthly email reminders from the Activities Accountant around mid-month.

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BARTLETT HIGH SCHOOL

Administration – Five activities were selected for review and three out of the five (60 percent) did not have proper supporting documentation. Establishment of student clubs is governed according to the High School Handbook Section II-12.

- a. Describe the procedures used to determine if activity groups at your school adhere to administrative requirements?

RESPONSE: Club advisors and sponsors are asked to check in with the activities office on a regular basis. In the future the Activities Principal for Bartlett High School will require that club sponsors/advisors complete a beginning of the school year meeting with the administrator. During this meeting accounting practices, fundraising procedures, and “how to” access club funds will be addressed. The administrator will explain that club funds may not be accessed, and fundraisers may not be conducted on behalf of the organization, until a completed constitution is on file with the activities office. Once the constitution is completed and on file with the activities office the Activities Office will notify individual club advisors that their club may proceed with club business. Once clubs have activated for the school year club sponsors will be required to meet with the activities principal on a scheduled basis. At the close of school year club sponsors will be required to complete a check out with the activities office. The check out procedure, completed by the club sponsor, will signify the close of the financial account (with no additional money spent) until the following academic year.

- b. Explain why three activity groups lacked proper documentation.

RESPONSE: Club sponsors are asked to submit proper documentation to the activities office. In the future the administrator for activities will require that all paperwork for clubs and activities be submitted prior to club activities including fundraisers and the expenditure of club funds.

- c. What steps will be taken to ensure proper documentation exists for all activity groups? Include a timeline for implementation of these steps.

RESPONSE: Bartlett High School administration will work to establish criteria and guidelines for each club sponsor, advisors and coaches. Guidelines and criteria will outline the paperwork that must be on file with the activities office prior to fundraisers, accessing accounts, or the expenditure of club or sports accounts.

BARTLETT HIGH SCHOOL

- d. What concerns or questions do you have for High School Education with regard to administration of student activity groups?

RESPONSE: No concerns at this time.

- e. Is there anything High School Education can do to help ensure all groups have proper documentation?

RESPONSE: Bartlett High School administration will work in the future to make sure that club sponsors/advisors have all paperwork on file, prior to accessing their financial accounts.

Cash Receipts – Two transactions out of 44 (4.5 percent) did not have proper authorization on the money count sheet. Cash receipt procedures are documented in the Student Activity Accounting Manual (SAAM) as well as the IFAS and Beyond manual. The SAAM specifically states that all money count sheets must be completed and signed.

- a. Describe the cash receipts procedures used at your school.

RESPONSE: Cash receipt is submitted with deposit to the Activities Office. Once the cash is counted by the activities clerk the total, date, receipt number and clerk signature. Two receipts were missing the signature of the activities clerk. All other aspects of the cash receipt were correct, the missing signature was an oversight. This practice and procedure has been reviewed and corrected.

- b. Explain why two cash receipts did not have proper documentation.

RESPONSE: The procedure for receipts on deposits has been addressed. In the case of two cash receipts the missing signatures was an oversight. This procedure has been addressed and corrected.

- c. What steps will be taken to ensure that all future money count sheets are completed and signed? Include a timeline for implementation of these steps.

RESPONSE: The procedure for counting money and writing receipts has been reviewed.

- d. What concerns or questions do you have for accounting with regard to cash receipts?

BARTLETT HIGH SCHOOL

RESPONSE: The Activities Clerk at Bartlett High School is responsible for counting thousands of dollars, receipting money to clubs and organizations and posting this information to the districts online accounting system. Mrs. Otero should be commended for the outstanding work she does on a regular basis. As the Activities Clerk for Bartlett High School Mrs. Otero assumes an enormous work load and is responsible for accurate financial records for the school. Mrs. Otero is a phenomenal employee and should be recognized for her outstanding work. Despite the heavy work load Mrs. Otero will spend time in the future, triple checking to make sure that all accounting procedures are followed.

- e. Is there anything accounting can do to help ensure all future receipts have proper documentation?

RESPONSE: The Anchorage School District can review the work load and responsibilities of the Activities Clerks in comprehensive high schools. Finding ways to streamline the business practices in the District would enhance the clerk's ability to do their jobs.

Reporting – Twelve monthly bank reconciliation reports were reviewed and one out of the twelve (8 percent) was not filed timely. The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: The Bartlett High School activities office follows all procedures for processing bank reconciliations as outline by the Anchorage School District. In accordance with expectations and set procedures the processing of reconciliations meets deadlines as established by the ASD and accounting practices.

- b. Explain why April's bank reconciliation was submitted late.

RESPONSE: The bank statement for April 2010 was late in arriving at the Bartlett High School Activities office. After taking receipt of the bank reconciliation the statement was processed according to ASD guidelines and forwarded.

BARTLETT HIGH SCHOOL

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: In all cases where the reconciliation statement is received at the school in a timely manner the deadline for the ASD are met. The activities office has received the procedure and ASD expectation for handling the monthly reconciliation statements. In the future, when it appears that the reconciliation statement may be late in arriving at the school level, the BHS activities office will take steps to notify the bank in person to receive a copy of the bank statement.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: No questions or concerns at this time.

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: It is important that the bank forward the monthly reconciliations in a timely manner in order for the activities office to meet the deadline for the Anchorage School District.

CHUGIAK HIGH SCHOOL

Administration – Five activities were selected for review and three out of the five (60 percent) did not have proper supporting documentation. Establishment of student clubs are governed according to the High School Handbook Section II-12.

- a. Describe the procedures used to determine if activity groups at your school adhere to administrative requirements?

RESPONSE: Student initiated activity groups are required to fill out a framework for their club that outlines the following:

- Conditions of Operation
- Statement of Purpose
- Constitution
 - Name of staff monitor
 - Names of students proposing the club
 - Rules of club operation
 - Process and terms for election of officers.
 - Proposed meeting times and locations

- b. Explain why three activity groups lacked proper documentation.

RESPONSE: Club sponsorship and membership are not static. Many clubs are well established and over time its members and sponsors have rolled over. Other club activities ebb and flow depending upon student interest levels. Many clubs tend to hibernate throughout only to emerge for a yearly activity or fund raiser. The clubs selected for documentation were those that the membership and interest have waned and therefore current, updated paperwork was lacking.

- c. What steps will be taken to ensure proper documentation exists for all activity groups? Include a timeline for implementation of these steps.

RESPONSE: A yearly audit of our entire student initiated clubs to determine those that remain active or find themselves in remission. This can easily be implemented at the beginning of each year.

- d. What concerns or questions do you have for High School Education with regard to administration of student activity groups?

RESPONSE: None

CHUGIAK HIGH SCHOOL

- e. Is there anything High School Education can do to help ensure all groups have proper documentation?

RESPONSE: No. This is an in-house issue that we can easily address.

Cash Receipts – One transaction out of 42 (2.3 percent) did not have proper authorization on the money count sheet. Cash receipt procedures are documented in the Student Activity Accounting Manual (SAAM) as well as the IFAS and Beyond manual. The SAAM specifically states that all money count sheets must be completed and signed.

- a. Describe the cash receipts procedures used at your school.

RESPONSE: All cash monies are receipted via a dual cash count. Cash count sheets are signed, verified by the clerk and then the Activity Principal signs the deposit.

- b. Explain why one cash receipts did not have proper documentation.

RESPONSE: It is standard procedure to provide documentation with all transactions. With the sheer accounting volume that is generated in the Activity Office, this must be one of our rare oversights.

- c. What steps will be taken to ensure that all future money count sheets are completed and signed? Include a timeline for implementation of these steps.

RESPONSE: The above is standard operating procedures at Chugiak High. These procedures are currently in effect.

- d. What concerns or questions do you have for accounting with regard to cash receipts?

RESPONSE: None. We continue to accurately account for all cash as it is receipted and deposited in the Activity Office.

- e. Is there anything accounting can do to help ensure all future receipts have proper documentation?

RESPONSE: None

DIMOND HIGH SCHOOL

Transfers – One transfer out of 27 selected for review (3.7 percent) did not have proper supporting documentation.

- a. Describe the transfer procedures used at your school.

RESPONSE: Each Transfer requires that a Transfer Funds Request form be completed and signed by the staff member requesting the transfer as well as by the second staff member who can authorize the transfer. Once the transfer transaction has been entered in the AA Pro accounting system, the Adjustment Journal Report must be attached to the Transfer Fund Request form for documentation purposes.

- b. Explain why one transfer lacked proper documentation.

RESPONSE: I do not know which transfer request lacked proper documentation, but transfers do require completed Transfer Funds Request forms accompanied by the corresponding Adjustment Journal Report.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

RESPONSE: Dimond's previous clerk, Bonnie Wheelles, retired in August of 2010. Dimond's next clerk was new on staff when this audit took place. Once she was alerted to the required procedures for processing Transfer Fund Requests, she implemented them immediately. She left ASD employment on April 15, 2011, in good standing and our new clerk started employment on April 21, 2011, and she is in training. I will meet with our current clerk to show her the proper procedure for processing Transfer Funds Requests (i.e. required two signatures, attaching the Adjustment Journal Report to the Transfer Funds Request) and emphasize the importance of attaching required documentation.

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None at this time.

DIMOND HIGH SCHOOL

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: No. However, training that is tailored specifically to the needs of High School Student Activities Clerks in the areas of AA Pro and IFAS accounting systems would be helpful as no such specific training exists as this time.

EAGLE RIVER HIGH SCHOOL

Vending Machine Revenue and Principal's Account – The principal's account exceeded the \$5,000 limit on expenditures during a fiscal year. The Student Activity Accounting Manual (SAAM) states that expenditures from the principal's account may not exceed \$5,000 during each fiscal year.

- a. Describe the procedures used at your school to track expenditures in the principal's account.

RESPONSE: Monthly we look at the activity detail report to make sure the account doesn't go in the negative.

- b. Explain why the principal's account exceeded the \$5,000 limit in expenditures.

RESPONSE: Looking at the account on the activity detail report there was an error for football gear put in principal account for \$ 2035.00 it was corrected in the adjustments. Also \$ 4,463.00 of the funds in this account were used in student related activities.

- c. What steps will be taken to ensure that the principal's account does not exceed the \$5,000 limit? Include a timeline for implementation of these steps.

RESPONSE: This account has not exceeded the \$5,000 limit since June 30, 2010. This school years principal's account current amount of expenditures is \$1,497. At no time during the 2010-2011 school year has the account been over \$5,000. In addition to monitoring for a negative balance we will specifically monitor this account so it will not exceed the \$5000 limit.

- d. What concerns or questions do you have for accounting with regard to the principal's account?

RESPONSE: No question for accounting.

- e. Is there anything accounting can do to help ensure the principal's account does not exceed the \$5,000 limit?

RESPONSE: Accounting could double check our monthly reports we send.

EAGLE RIVER HIGH SCHOOL

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 16 days. According to the SAAM, deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: We strive to make deposits on a weekly basis.

- b. Explain why the bank deposits were not made timely.

RESPONSE: The audit did this process based on an average. This time period includes when specific staff members were out of the office.

- c. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.

RESPONSE: A weekly deposit will be made regardless of money on hand. If Activities Principal is not available to do the deposit another unit administrator will make the deposit.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: No question for accounting.

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: Allow the use of credit card or pay pal account and end the practice of collecting cash at high schools.

SOUTH HIGH SCHOOL

Administration – Five activities were selected for review and four out of the five (80 percent) did not have proper supporting documentation. Establishment of student clubs is governed according to the High School Handbook Section II-12.

- a. Describe the procedures used to determine if activity groups at your school adhere to administrative requirements?

RESPONSE: I believe we are talking about clubs in this situation. Many of our clubs were established 7 years ago. Because of significant change in administration. Documentation was lost. We'll clean this up as long as I am in the saddle.

- b. Explain why four activity groups lacked proper documentation.

RESPONSE: See 'a' above

- c. What steps will be taken to ensure proper documentation exists for all activity groups? Include a timeline for implementation of these steps.

RESPONSE: A new club application will be filled out for each active group yearly beginning 11-12 school year.

- d. What concerns or questions do you have for High School Education with regard to administration of student activity groups?

RESPONSE: Activities principals need to receive certain training and there should be less turnover in schools.

- e. Is there anything High School Education can do to help ensure all groups have proper documentation?

RESPONSE: Have club applications sent to high school education for them to keep on file.

Vending Machine Revenue and Principal's Account – The principal's account exceed the \$5,000 limit established by the District. The Student Activity Accounting Manual (SAAM) states that expenditures from the principal's account may not exceed \$5,000 during each fiscal year.

SOUTH HIGH SCHOOL

- a. Describe the procedures used at your school to track expenditures in the principal's account.

RESPONSE: Principal has own account within AA pro which show all expenditures. Our new principal has stayed within these limits.

- b. Explain why the principal's account exceeded the \$5,000 limit in expenditures.

RESPONSE: Previous principal took expenditures out of his principal's account was used in support of his multi-cultural students since it was a student activity, an adjustment was done to correct the overage.

- c. What steps will be taken to ensure that the principal's account does not exceed the \$5,000 limit? Include a timeline for implementation of these steps.

RESPONSE: It is being monitored closely by the activities clerk, activities principal and area principal effective immediately.

- d. What concerns or questions do you have for accounting with regard to the principal's account?

RESPONSE: None

- e. Is there anything accounting can do to help ensure the principal's account does not exceed the \$5,000 limit?

RESPONSE: No

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 10.1 days. According to the SAAM, deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: Activities clerk prepares the deposit and it is taken to the bank and deposited by an administrator.

SOUTH HIGH SCHOOL

- b. Explain why the bank deposits were not made timely.

RESPONSE: Due to high volume and other duties that came up within the activities office, deposits were not made as per district policy. Now that South has been reminded of this policy and procedure, deposits will be made weekly or more frequently when proceeds total over \$1,500.

- c. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.

RESPONSE: We are training the attendance clerk to assist with south activities clerk responsibilities so she can make more timely deposits starting in august of 2011.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: We are putting more pressure on clerks who are already over extended in their duties. Especially for clerks who deal with high volume like south high and/or are new to their jobs.

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: Provide more support for our clerks to make this happen.

Begich Middle School

Activities Principal: Jeanne Fischer

Student Activities – Response

Activities/Stock Clerk: Kim Matier

BEGICH MIDDLE SCHOOL

Deficit Balances – Five activity groups had deficit balances that were not documented and approved by the District. Deficit balance procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM specifically states that deficit balances are not allowed.

- a. Describe the procedures used at your school regarding deficit balances?

RESPONSE: If an account lacks funds typically a Deficit Balance Sheet is filled out and approved by Principal or Asst. Principal.

- b. Explain why five activity groups had deficit balances and lacked proper documentation.

RESPONSE: Four out of the Five activity groups were to be closed and Documentation paperwork was overlooked. This had been discussed with AP but not finalized.

- c. What steps will be taken to ensure that proper documentation exists for deficit balances? Include a timeline for the implementation of these steps.

RESPONSE: If an activity account will go into a deficit they will immediately complete the Deficit Balance Agreement and get prior approval before going into a deficit. The step became effective the day of the audit January 2010.

- d. What concerns or questions do you have for accounting with regard to deficit balances?

RESPONSE: No concerns or questions regarding this procedure.

- e. Is there anything accounting can do to help ensure all deficit balances have proper documentation?

RESPONSE: Would like to see audits done in August to ensure proper accounting procedures are fixed going into a new year.

Cash Receipts – Two transactions out of 29 (6.9 percent) did not have proper authorization on the money count sheet. Cash receipt procedures are documented in the SAAM as well as the IFAS and Beyond manual. The SAAM specifically states that all money count sheets must be completed and signed.

BEGICH MIDDLE SCHOOL

- a. Describe the cash receipts procedures used at your school.

RESPONSE: When an activity has funds to be deposited they are required to fill out a Deposit Slip, funds then are reviewed by FDCC receipt is issued and funds are placed in safe.

- b. Explain why two cash receipts did not have proper documentation.

RESPONSE: Each cash receipt lacked the signature of individuals making the deposit this was an oversight.

- c. What steps will be taken to ensure that all future money count sheets are completed and signed? Include a timeline for implementation of these steps.

RESPONSE: Each money count sheet will be carefully reviewed by FDCC before accepting to make sure the form is completed per SAAM requirements.

- d. What concerns or questions do you have for accounting with regard to cash receipts?

RESPONSE: No concerns or questions.

- e. Is there anything accounting can do to help ensure all future receipts have proper documentation?

RESPONSE: Would like to see audits done in August to ensure proper accounting procedures are fixed going into a new year.

Reporting – Twelve monthly bank reconciliation reports were reviewed and two of the 12 were not submitted timely (17 percent). The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: Upon receiving bank statement the Reconciliation is typically completed per the SAAM requirements.

BEGICH MIDDLE SCHOOL

- b. Explain why two bank reconciliations were submitted late.

RESPONSE: December's and February's reconciliation was completed a few days late due to holiday and spring break work load.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: All reconciliations will be completed in a timely matter according to SAAM requirements this was implemented January 2011.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: No concerns or questions

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: Would like to see audits done in August to ensure proper accounting procedures are fixed going into a new year.

GOLDENVIEW MIDDLE SCHOOL

Transfers – Two out of 29 (7 percent) transfer transactions lacked necessary supporting documentation. Transfer procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM states that all transfers need to have the Transfer Authorization form completed.

- a. Describe the transfer procedures used at your school.

RESPONSE: A transfer document is filled out and signed by the principal and club chair of that account then filed with the monthly statement for which it was done.

- b. Explain why two transfers lacked proper documentation.

RESPONSE: The two transfers were actually keypunch mistakes made by the FDCC Lori Benkert and the correction was not done with the proper transfer documentation. This has since been changed.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

RESPONSE: At this point all transfers no matter the cause have proper paperwork attached and the timeline is immediate

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: No

GRUENING MIDDLE SCHOOL

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 10 days. According to the Student Activity Accounting Manual (SAAM), deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: I (FDCC) put the deposit together, secure it in the vault and tell the principal I have a deposit to be made.

- b. Explain why the bank deposits were not made timely.

RESPONSE: I wasn't aware that they had to be made weekly and some times there just isn't enough time to make a weekly deposit.

- c. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.

RESPONSE: Time will be set aside every week to put a deposit together and that started as soon as we received this review.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: I do not have any questions for accounting about bank deposits. My biggest concern is the lack of job specific training at the beginning of each school year.

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: I wish Accounting had noticed from the bank statements I send in monthly, that I was not making my deposits according to the Student Activity Funds Accounting Manual and had called me on it before my audit.

MIRROR LAKE MIDDLE SCHOOL

Cash Disbursements – Two transactions out of 44 (5 percent) did not have supporting documentation or proper authorization. Cash disbursements procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM specifically states that all disbursement of funds must be fully documented and should be pre-authorized.

- a. Describe the cash disbursement procedures used at your school.

RESPONSE: Staff or activity sponsors complete and present a purchase request form or check request to the FDCC. Once sufficient, available funds are determined, a purchase order is generated or a check is generated for the purchase, event or reimbursement. If the check is cut pre-purchase, the FDCC requests that the activity sponsor return with a receipt. If the check is for a reimbursement, receipts are to be attached to the check request. Checks paid in conjunction with purchase orders are cut once the items have been received and an invoice has been received.

- b. Explain why two cash disbursements lacked proper documentation or authorization.

RESPONSE: The check without sufficient authorization was for payment to Forsythe Transportation for 5 bus requests, 4 of which had authorizing signatures. The AP approved the on-line bus requests, which authorized all 5 buses being requested. He then authorized the check request and signed the check to pay for all 5 buses. The second disbursement was a pre-purchase check request. The check requester neglected to bring me the receipts and, although I made another request for the receipt I didn't continue to follow up with the sponsor to get the receipts that I requested they bring to me. Upon receipt of this audit response document, I asked the sponsors again, and they have now provided the required receipts.

- c. What steps will be taken to ensure all future cash disbursements are authorized and fully documented? Include a timeline for implementation of these steps.

RESPONSE: I will verify that all requests have an authorizing signature and I'll get post purchase receipts from the check requesters.

These procedures have always been in place, these two incidences were an oversight.

- d. What concerns or questions do you have for accounting with regard to cash disbursements?

MIRROR LAKE MIDDLE SCHOOL

RESPONSE: If there is a check request or purchase order with authorizing signatures, and two administrators sign the check, it is overkill to require that each piece of back up paperwork require authorizing signatures also. I believe this exception to our audit was due to an overzealous, new auditor.

- e. Is there anything accounting can do to help ensure all cash disbursements have proper documentation and authorization?

RESPONSE: The audit should take place closer to the beginning of the school year, so any corrections brought to light by the audit could be implemented earlier, and not be an exception to the audit on the following year as well.

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 9 days. According to the SAAM, deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: Cash deposits received by the FDCC are immediately verified and placed in the vault for safekeeping, until such time as there is a sufficient amount to take to the bank. Deposits are normally made every two weeks, due to our location and distance from the bank (an 18 mile round trip). If a large deposit is received (in excess of \$1500.00) a deposit is made timely.

- b. Explain why the bank deposits were not made timely.

RESPONSE: Most often, we don't have a very large deposit to warrant a trip to the bank which is 18 miles round trip from our school.

- c. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.

RESPONSE: If there are deposits to be made, they will be taken to the bank each Friday (or the following Monday) at the latest.

This change will be implemented immediately.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: None

MIRROR LAKE MIDDLE SCHOOL

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: The audit should take place closer to the beginning of the school year, so any corrections brought to light by the audit could be implemented earlier, and not be an exception to the audit on the following year as well.

WENDLER MIDDLE SCHOOL

Cash Receipts – One transactions out of 42 (2 percent) did not have proper authorization on the money count sheet. Cash receipt procedures are documented in the Student Activity Accounting Manual (SAAM) as well as the IFAS and Beyond manual. The SAAM specifically states that all money count sheets must be completed and signed.

- a. Describe the cash receipts procedures used at your school.

RESPONSE: Teachers turn in their money with a cash count sheet. It is then verified by myself. An “ASD three part” receipt is issued, the original is given to the teacher, yellow is used for posting and deposit and third copy is filed in numerical order. A student/parent will bring in money and a receipt, again, will be issued to that person with the copies appropriately filed.

- b. Explain why one cash receipt did not have proper documentation.

RESPONSE: This particular teacher turned her money in a large envelope and listed the count on the outside of the envelope. I then made up a cash count sheet for the monies but kept a copy of the envelope with her signature and count.

- c. What steps will be taken to ensure that all future money count sheets are completed and signed? Include a timeline for implementation of these steps.

RESPONSE: These steps are in place and I have discussed the circumstances with this teacher and she will cooperate with our needs.

- d. What concerns or questions do you have for accounting with regard to cash receipts?

RESPONSE: All people paying monies received in the building should be directly sent to the FDCC so a receipt can be written and records are kept of who has paid money and how much.

- e. Is there anything accounting can do to help ensure all future receipts have proper documentation?

RESPONSE: Discussion with teachers and staff.

WENDLER MIDDLE SCHOOL

Cash Disbursements – Three transactions out of 31 (10 percent) did not have supporting documentation or proper authorization. Cash disbursements procedures are documented in the SAAM. The SAAM specifically states that all disbursement of funds must be fully documented and should be pre-authorized.

- a. Describe the cash disbursement procedures used at your school.

RESPONSE: Cash disbursements are requested on a “purchase request/pre-authorization form.” From that form, either a purchase order will be generated or a check for payment or reimbursement. These forms are signed by the organization requesting the funds and the principal authorizing the purchase.

- b. Explain why three cash disbursements lacked proper documentation or authorization.

RESPONSE: Two forms in question had a purchase order generated for authorization. The timeline for authorizing a request, then generating a purchase order and waiting again for authorization again for the same information can be timely. The principal, as authorization, signed both purchase orders.

The third disbursement was for a fundraiser for Science Olympiad. They received coupons to sell for pizzas. There was an authorization form but no receipt. That will definitely be changed if it happens again. In hindsight, I discussed this with the teacher in question and she received the receipt personally and it was not forwarded to me.

- c. What steps will be taken to ensure all future cash disbursements are authorized and fully documented? Include a timeline for implementation of these steps.

RESPONSE: Procedures are adhered to and taken very seriously. I will be more aware of all required documentation.

- d. What concerns or questions do you have for accounting with regard to cash disbursements?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all cash disbursements have proper documentation and authorization?

RESPONSE: No

WENDLER MIDDLE SCHOOL

Reporting – Twelve monthly bank reconciliation reports were reviewed and two were not submitted timely (17 percent). The SAAM requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: When the statement is received from the bank, A reconciliation is completed and submitted to ASD.

- b. Explain why two bank reconciliations were submitted late.

RESPONSE: August 2009 bank statement should have been submitted in September. It was submitted on October 12. I cannot remember back that far but do know we were without an AA for several months and that could have had some impact. The February statement is the same circumstance. I cannot remember why it delayed. It was not deemed priority in my workload. However, I will change that.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: I try to submit bank statements in a timely manner. If there is an error in reconciliation I will put away and come back another day so I can have a new look. Most statements will balance right off but there is an occasional instance where a bank statement would not be received (not in the case of the write up since they were both originals.) due to students sorting mail. In requesting copies from the bank this is timely too. I will make statements a priority in my workload.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: No

WENDLER MIDDLE SCHOOL

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 11.5 days. According to the SAAM, deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: Deposits are made weekly for large amounts. Finding time for our principal to take a deposit daily to the bank is hard.

- b. Explain why the bank deposits were not made timely.

RESPONSE: I am not to take deposits to the bank and relying on others is often difficult with their busy schedules.

- c. What steps will be taken to ensure that all future deposits are made timely?
Include a timeline for implementation of these steps.

RESPONSE: These procedures will be put into place immediately and a conscientious effort will be made to adhere to this request.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: No

Benny Benson

Activities Principal: Sam Spinella

Student Activities – Response

Activities/Stock Clerk: Brandy Butcher

BENNY BENSON

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 7.2 days. According to the Student Activity Accounting Manual (SAAM), deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: Brandy Butcher receives payments and a receipt is generated. White copy is issued to the payee, yellow is placed in the accounting ledger under the month it is received and the pink copy stays in the receipt book. Payments are placed in my locked cabinet until the deposit is ready for the bank.

- b. Explain why the bank deposits were not made timely.

RESPONSE: Benny Benson generally receives small amounts of cash at one time. Deposits are usually made on Friday's unless we have a large amount of cash received that week. (over \$100).

- c. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.

RESPONSE: Brandy Butcher will ensure that all future payments will be deposited every Friday regardless of amount. We will never allow money to "sit" in the locked cabinet over the weekend or any school break.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: None.

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: No.

King Career Center

Activities Principal: Guy Okada

Student Activities – Response

Activities/Stock Clerk: Sydney Reed

KING CAREER CENTER

Reporting – Twelve monthly bank reconciliation reports were reviewed and three were not submitted timely (25 percent). The Student Activity Accounting Manual (SAAM) requires that bank reconciliations are submitted on a monthly basis.

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: The procedure manual is followed

- b. Explain why three bank reconciliations were submitted late.

RESPONSE: The bank statements came during the holiday break time, in which our U.S. mail delivery is held at the post office. I will be more diligent of the reconciliation timeline.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: Noting on FDCC's work calendar.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: NA

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: NA

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 13 days. According to the SAAM, deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

KING CAREER CENTER

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: Sponsors bring money and fill out the appropriate money count sheet and they are given a receipt. It is put in the vault until the FRDCC can make a deposit.

- b. Explain why the bank deposits were not made timely.

RESPONSE: FDCC was not aware of the guidelines, and will follow them henceforth

- c. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.

RESPONSE: It will be done according to stated procedure.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: NA

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: NA

Steller Secondary School

Activities Principal: Harlod Green

Student Activities – Response

Activities/Stock Clerk: Jamie Michaud

STELLER SECONDARY SCHOOL

Transfers – One out of 27 (4 percent) transfer transactions lacked necessary supporting documentation. Transfer procedures are documented in the Student Activity Accounting Manual (SAAM). The SAAM states that all transfers need to have the Transfer Authorization form completed.

- a. Describe the transfer procedures used at your school.

RESPONSE: Each transfer transaction is logged on a Transfer Authorization form or an Excel spreadsheet and signed by the principal. The Activities Clerk then enters it into the AA Pro system.

- b. Explain why one transfer lacked proper documentation.

RESPONSE: Documentation could not be found by the current Activities Clerk, who is new to the position.

- c. What steps will be taken to ensure all future transfers have documentation showing proper approval? Include a timeline for implementation of these steps.

RESPONSE: Better, more organized record management from year to year. New binders for recordkeeping are already in place for 10/11.

- d. What concerns or questions do you have for accounting with regard to transfers?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all transfers have proper documentation?

RESPONSE: Training for the position of Activities Clerk and meetings with other Activities Clerks would really benefit a new person coming into the position. Learning how other clerks handle their records would be beneficial to a new person in the position.

Cash Receipts – One transactions out of 27 (4 percent) was missing supporting documentation. Cash receipt procedures are documented in the SAAM as well as the IFAS and Beyond manual. The SAAM specifically states that all money count sheets must be completed and signed.

STELLER SECONDARY SCHOOL

- a. Describe the cash receipts procedures used at your school.

RESPONSE: Each deposit is submitted by a staff member and kept in a locked box in a locked file cabinet. The staff member fills out a deposit ticket indicating the exact denominations of the deposit. The Activities Clerk then verifies all deposits and a triplicate receipt is issued. One copy is given to depositor, one copy is attached to deposit ticket, and Activities Clerk retains one copy.

- b. Explain why one cash receipt did not have proper documentation.

RESPONSE: I have no way of explaining what happened to the cash receipt. If the specific receipt was listed, I might have a chance to go back and find it.

- c. What steps will be taken to ensure that all future money count sheets are complete and signed? Include a timeline for implementation of these steps.

RESPONSE: Better, more organized record management from year to year. New organizational binders are already in place.

- d. What concerns or questions do you have for accounting with regard to cash receipts?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all future receipts have proper documentation?

RESPONSE: If auditors were clearer on the repercussions of missing documentation clerks might be able to take more time looking for paperwork. Auditors didn't act as though a missing document was a very big deal, just asked clerk to search for 2 additional documents.

Cash Disbursements – Two transactions out of 29 (7 percent) did not have supporting documentation or proper authorization. Cash disbursements procedures are documented in the SAAM. The SAAM specifically states that all disbursement of funds must be fully documented and should be pre-authorized.

STELLER SECONDARY SCHOOL

- a. Describe the cash disbursement procedures used at your school.

RESPONSE: All cash disbursements begin with a signed preauthorization form. The form is signed by both the person requesting the money and the principal. Once the approval is signed. The requester will ask for a Purchase Order to be issued or will submit receipts for reimbursement. If the requester wants a check issued directly to a vendor who will not accept a PO, the requester must return the receipt to the Activities Clerk by the next business day.

- b. Explain why two cash disbursements lacked proper documentation or authorization.

RESPONSE: The current Activities Clerk could not find documentation. The auditor only suggested searching for 2 additional transactions, Activities Clerk was unaware that meant a negative record on our end. Would have taken the time to search deeper if I had known missing document was not replaced by the 2 additional transactions located.

- c. What steps will be taken to ensure all future cash disbursements are authorized and fully documented? Include a timeline for implementation of these steps.

RESPONSE: Better, more organized record management from year to year. New binders for recordkeeping are already in place for 10/11. If a new clerk had proper training to know exactly what they were looking for, it could also help eliminate missing or unidentified paperwork.

- d. What concerns or questions do you have for accounting with regard to cash disbursements?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all cash disbursements have proper documentation and authorization?

RESPONSE: None

Reporting – Twelve monthly bank reconciliation reports were reviewed and one was not submitted timely (8 percent). The SAAM requires that bank reconciliations are submitted on a monthly basis.

STELLER SECONDARY SCHOOL

- a. Describe the procedures used at your school to prepare and submit bank reconciliations.

RESPONSE: The Principal receives and signs each bank statement that comes into the office. He then hands it off to the Activities Clerk who uses AA Pro to reconcile the balance. Once completed, the Principal and Activities Clerk sign the paperwork printed from AA Pro. A copy is made and sent to Accounting via inter-district mail envelope.

- b. Explain why August's bank reconciliation was submitted late.

RESPONSE: There are not notes to indicate why the August bank reconciliation was late. After speaking with the former Activities Clerk I was informed that the new change over to Zangle as well as the duties of Secretary and Registrar during the first month back to school was cause for and untimely August reconciliation.

- c. What steps will be taken to ensure that all bank reconciliations are submitted monthly? Include a timeline for implementation of these steps.

RESPONSE: There have been no late submissions of bank reconciliation since August. As the current Activities Clerk, the statement reconciliation takes precedence over other Secretary / Registrar duties. The Activities Clerk position at Steller is also the same person who handles the Registrar and Secretary position. These steps have already been taken for the current 10/11 school year.

- d. What concerns or questions do you have for accounting with regard to the bank reconciliation process?

RESPONSE: None

- e. Is there anything accounting can do to help ensure all bank reconciliations are submitted monthly?

RESPONSE: Again, there is no formal training for a newcomer to the Activities Clerk position. The contacts from Accounting (Andy Ratliff), and current Administrative Assistant at Steller (Elizabeth Wood) have been very helpful in the past 6 months catching me on the duties of this position.

ANCHORAGE HOCKEY ASSOCIATION

Safeguarding of Assets – Of ten cash receipts selected, the average days outstanding (time between deposits) was 7.2 days. According to the Student Activity Accounting Manual (SAAM), deposits should be made weekly and large deposits (in excess of \$1,500) should be deposited daily. According to the review findings the school is not meeting this requirement.

- a. Describe the procedures used at your school for bank deposits.

RESPONSE: Brandy Butcher receives payments and a receipt is generated. White copy is issued to the payee, yellow is placed in the accounting ledger under the month it is received and the pink copy stays in the receipt book. Payments are placed in my locked cabinet until the deposit is ready for the bank.

- b. Explain why the bank deposits were not made timely.

RESPONSE: Benny Benson generally receives small amounts of cash at one time. Deposits are usually made on Friday's unless we have a large amount of cash received that week. (over \$100).

- c. What steps will be taken to ensure that all future deposits are made timely? Include a timeline for implementation of these steps.

RESPONSE: Brandy Butcher will ensure that all future payments will be deposited every Friday regardless of amount. We will never allow money to "sit" in the locked cabinet over the weekend or any school break.

- d. What concerns or questions do you have for accounting with regard to bank deposits?

RESPONSE: None.

- e. Is there anything accounting can do to help ensure all bank deposits are made timely?

RESPONSE: No.