



Office of Missouri State Auditor
Nicole Galloway, CPA

**Waynesville R-VI School District
Cash Handling Internal Controls**



Nicole Galloway, CPA
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of Waynesville R-VI School District Cash Handling Internal Controls

Background	On March 21, 2016, the Waynesville R-VI Board of Education requested the State Auditor's Office review the district's internal controls over cash handling processes. The State Auditor's Office reviewed cash handling internal controls at collection points in schools and departments throughout the Waynesville R-VI School District (district), in addition to controls in the Athletic Department and school stores. Food service cash handling internal controls were not reviewed because they had already been reviewed by other auditors.
Districtwide Policies and Procedures	The district does not have comprehensive cash handling policies and procedures. Written policies and procedures only address petty cash funds. Cash handling procedures varied significantly by location, and only one school developed guidance for staff.
Waynesville Career Center	Significant improvements are needed in the career center's cash handling internal controls and procedures. The career center has not adequately segregated the duties of receiving, recording, and depositing or transmitting monies in the main office, and documented supervisory or independent reviews of the accounting records are not performed. Program personnel do not always provide supporting documentation with transmitted monies and an independent review of the receipts is not always performed to ensure all monies are received. Prenumbered receipt slips are not always issued and receipt slips issued do not always indicate the method of payment, checks are not always restrictively endorsed immediately when received, and receipts are not always transmitted or deposited timely and intact. The career center also does not follow the district's petty cash procedures.
Athletic Department	Significant improvements are needed in the athletic department's cash handling internal controls and procedures. The athletic department does not issue prenumbered receipt slips, a supervisory or independent review to ensure monies received are deposited is not performed, and receipts are not always deposited intact. Tickets are not issued to attendees of district athletic events and the district uses no other method to track attendance. As a result, the athletic department cannot verify the propriety of collection amounts for comparison to deposits. The athletic department also does not follow the district's petty cash procedures and does not ensure petty cash is used for allowable purposes.
School Stores	School store internal controls need improvement. There are no sales records utilized to track collections. As a result, no reconciliation of receipts to transmittals or deposits can be performed. Neither store sponsors nor student workers maintain perpetual inventory records, conduct periodic physical inventory counts, or reconcile inventory to merchandise sales and purchases.
Waynesville High School	Significant improvements are needed in the high school's cash handling internal controls and procedures. The high school has not adequately segregated the duties of receiving, recording, and depositing or transmitting monies, and documented supervisory or independent reviews of the accounting records are not performed. Prenumbered receipt slips are not always issued, activity sponsors do not always submit supporting documentation with monies transmitted, receipt slips do not always indicate the method of payment, checks are not always restrictively endorsed

immediately when received, and receipts are not always transmitted or deposited timely and intact. The high school also does not follow the district's petty cash procedures.

Waynesville Middle School
and the Sixth Grade Center

Significant improvements are needed in cash handling internal controls and procedures at the Waynesville Middle School and Sixth Grade Center. The middle school and Sixth Grade Center have not adequately segregated the duties of receiving, recording, and depositing or transmitting monies, and documented supervisory or independent reviews of the accounting records are not performed. Prenumbered receipt slips are not always issued, activity sponsors do not always submit supporting documentation with monies transmitted, receipt slips do not always indicate the method of payment, checks are not always restrictively endorsed immediately when received, and receipts are not always transmitted or deposited timely and intact. The middle school and Sixth Grade Center also do not follow the district's petty cash procedures and the Sixth Grade Center does not ensure petty cash is used for allowable purposes.

Elementary Schools

Significant improvements are needed in the cash handling internal controls and procedures at the district's 5 elementary schools. The elementary schools have not adequately segregated the duties of receiving, recording, and depositing or transmitting monies, and documented supervisory or independent reviews of the accounting records are not performed. Prenumbered receipt slips are not always issued, activity sponsors do not always submit supporting documentation with monies transmitted, checks are not always restrictively endorsed immediately when received, and receipts are not always deposited timely and intact. The elementary schools also do not follow the district's petty cash procedures and do not ensure petty cash is used for allowable purposes.

Williams Early Childhood
Center

Significant improvements are needed in the cash handling internal controls and procedures at the Williams Early Childhood Center, the pre-kindergarten portion of an elementary school located on the Fort Leonard Wood military base. The center has not adequately segregated the duties of receiving, recording, and depositing or transmitting monies, and documented supervisory or independent reviews of the accounting records are not performed. Prenumbered receipt slips are not issued and checks are not always restrictively endorsed immediately when received. The center also does not follow the district's petty cash procedures.

Because of the nature of this report, no overall rating is provided.
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NICOLE GALLOWAY, CPA

Missouri State Auditor

To the Board of Education
Waynesville R-VI School District

The State Auditor conducted an audit of cash handling internal controls of the Waynesville R-VI School District under authority granted in Section 29.205, RSMo. We have audited certain operations of the district in fulfillment of our duties. The district engaged KPM, Certified Public Accountants (CPAs) and Advisors, to audit the district's financial statements for the year ended June 30, 2015, and perform a limited engagement to review the Food Service Department accounting records and internal controls over food service collections. To minimize duplication of effort, we reviewed the CPA firm's audit reports. The scope of our audit included, but was not necessarily limited to, the year ended June 30, 2016. The objectives of our audit were to:

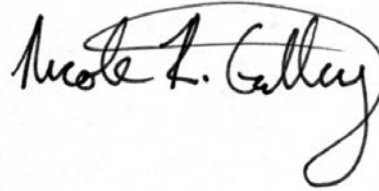
1. Evaluate the district's internal controls over cash handling practices and functions.
2. Evaluate the district's compliance with district and Board of Education policies and procedures for handling cash.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions, as they relate to handling cash.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the district; and testing selected transactions. We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the district's management and was not subjected to the procedures applied in our audit of the district.

For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with policies and procedures, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of cash handling internal controls of the Waynesville R-VI School District.

A handwritten signature in black ink, reading "Nicole R. Galloway". The signature is written in a cursive style with a large, looping "G" at the end.

Nicole R. Galloway, CPA
State Auditor

The following auditors participated in the preparation of this report:

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Waynesville R-VI School District

Cash Handling Internal Controls

Introduction

Background

On March 21, 2016, the Waynesville R-VI Board of Education (Board) requested the State Auditor's Office (SAO) review the district's internal controls over cash handling processes. The Waynesville R-VI School District (district) also released a public statement on that date indicating an investigation was being conducted into a discrepancy in certain district financial records. The district identified the problem, which the district indicated appears to involve one specific area of district operations and only one employee, and had already requested the assistance of the Missouri State Highway Patrol. The Board also engaged other auditors, including KPM, CPAs and Advisors, to review specific operations of the district.

On March 22, 2016, the SAO began an audit of the district's cash handling internal controls. The SAO reviewed cash handling internal controls at all collection points, except the Food Service Department, in the following schools or departments: Waynesville High School, Waynesville Career Center, Waynesville Middle School, Waynesville Sixth Grade Center, Freedom Elementary, East Elementary, Thayer Elementary, Partridge Elementary, Wood Elementary, Williams Early Childhood Center, the Community Resources department, and the Operational Services department. In addition to these schools and departments, the SAO also reviewed cash handling internal controls in the Athletic Department and school stores located at the Waynesville High School, the Waynesville Career Center, and the Waynesville Sixth Grade Center. We did not review Food Service Department cash handling internal controls because controls in that department had already been reviewed by other auditors. Individual findings for each area have been identified in the Management Advisory Report section.

The following table presents beginning and ending activity fund balances, total receipts, and total disbursements for each school or specific area in the district for the fiscal year ended June 30, 2016. The majority of the funds received directly by schools and departments are in the form of cash.

	Activity Fund			Activity Fund
	Balance			Balance
	July 1, 2015	Receipts	Disbursements	June 30, 2016
School:				
Career Center	\$ 156,132	504,691	297,730	363,093
Athletic Department	43,252	151,703	157,130	37,825
High School	133,297	260,132	272,183	121,246
Middle School	48,833	81,386	73,911	56,308
Sixth Grade Center	10,355	20,180	26,230	4,305
Wood Elementary	3,075	13,745	13,352	3,468
Thayer Elementary	5,762	15,932	12,712	8,982
East Elementary	9,950	47,216	34,700	22,466
Partridge Elementary	5,317	14,073	9,234	10,156
Freedom Elementary	8,575	36,729	28,051	17,253
Williams Early Childhood Center	6,784	13,495	9,147	11,132
Community Resources	341,136	65,835	222,956	184,015
Operational Services	3,426	2,856	1,000	5,282
Totals	\$ 775,894	1,227,973	1,158,336	845,531

Waynesville R-VI School District

Cash Handling Internal Controls

Management Advisory Report-State Auditor's Findings

1. Districtwide Policies and Procedures

The district does not have sufficient policies and procedures to ensure monies receipted are secure and accounted for properly.

The district does not have comprehensive cash handling policies and procedures. The district's written policies and procedures only address petty cash funds. Our review determined cash handling procedures varied significantly by location and only one school developed guidance for staff.

As noted throughout the report, the lack of consistent districtwide procedures led to many schools with insufficient or no records of monies received, and therefore the district cannot ensure monies were deposited. Even in schools or areas with records, there is only limited assurance that monies received were deposited.

A lack of overall policies and procedures related to cash handling increases the risk that monies are susceptible to loss, theft, or misuse.

Recommendation

The Board of Education should establish sufficient policies and procedures to ensure all monies are receipted and deposited, and petty cash funds are properly handled.

Auditee's Response

The district agrees there is an immediate need for revision to both policies and procedures across the district to accurately receive, account for, and deposit monies received by our schools on a daily basis. The district recognizes the need for standardization of these practices throughout all of our buildings. The district is currently working on procedures to promote maximum effectiveness, consistency, and efficiency. The district also recognizes the need for districtwide communication and training once these new policies and procedures have been established and plans to work diligently to obtain this.

2. Waynesville Career Center

Significant improvements are needed in the career center's cash handling internal controls and procedures. The career center receives monies for student fees (uniforms, program application fees, etc.); tuition; services fees (automotive, cosmetology, and catering services); membership dues; and store and fundraiser sales. Monies are collected at various locations at the career center, including the main office and in specific programs (automotive, cosmetology, school store, health science, nursing, adult education, computer maintenance, culinary arts, Future Farmers of America, Future Business Leaders of America, Junior Reserve Officers' Training Corps, and SkillsUSA). Monies collected by the programs and two main office secretaries are transmitted to the career center's financial secretary (also in the main office) for deposit. The financial secretary also collects monies, and these monies are included in deposits with other transmitted monies.



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2.1 Segregation of duties and supervisory review

The career center has not adequately segregated the duties of receiving, recording, and depositing or transmitting monies in the main office, and documented supervisory or independent reviews of the accounting records are not performed. Three secretaries are primarily responsible for all accounting duties, including receipting monies and recording transactions, and there is no independent review of their work. The program personnel transmitting these monies do not always provide supporting documentation and the secretaries do not always perform an independent review of the receipts to ensure all monies are received. The financial secretary is responsible for preparing deposits for all monies the career center receives, but no supervisory or independent review is performed to ensure all monies are deposited.

To reduce the risk of loss, theft, or misuse of funds, proper segregation of duties is necessary to ensure transactions are accounted for properly and assets are adequately safeguarded. If proper segregation of duties cannot be achieved, periodic documented supervisory or independent reviews of accounting records should be performed.

2.2 Receipting and depositing

Prenumbered receipt slips are not always issued and receipt slips issued do not always indicate the method of payment, checks are not always restrictively endorsed immediately upon receipt, and receipts are not always transmitted or deposited timely and intact.

- Prenumbered receipts slips are not always issued for monies received by the main office or for monies received in other programs, and are not reconciled to transmittals/deposits. Main office personnel issue a school activities receipt for monies transmitted, but they are not prenumbered. Some programs do not issue receipt slips and others do not issue prenumbered receipt slips. For the programs that issue prenumbered receipt slips, no one accounts for the numerical sequence. As a result, receipt records cannot be reconciled to transmittals/deposits to ensure all monies are deposited. Without prenumbered receipt slips, there is less support to show all monies received were deposited.
- Main office and program personnel do not always indicate the method of payment (cash, check, or money order) on receipt slips so the composition of receipts cannot be reconciled to the composition of deposits.
- Checks are not restrictively endorsed immediately upon receipt. All checks are transmitted to the financial secretary for endorsement, and the financial secretary does not endorse checks until a deposit is prepared. During our review of deposits, we noted 4 unendorsed checks with blank "pay to the order of" lines, and based on receipts records



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these checks were held from 6 to 33 days prior to being endorsed and deposited.

- Receipts are not always transmitted or deposited timely and intact. We noted instances where monies received by the main office were withheld from a deposit and not deposited for more than 20 days. We also noted an instance where monies for a golf tournament were not transmitted to the main office for deposit until approximately 6 weeks after the tournament.

In addition, monies transmitted to the career center were not always deposited intact. We noted personal checks from career center personnel, at least one with the memo notation of "cash," were included in deposits and equivalent amounts of transmitted cash were not deposited indicating personal checks were cashed with transmitted receipts. In addition, we noted other unrecorded checks included in the deposit and equivalent cash amounts not deposited. The financial secretary indicated in at least one instance this was done because career center employees wrote checks to the career center for a charity collection, but the center wanted to make the donation in cash. The financial secretary removed the equivalent amount of cash from transmitted cash receipts to make the cash donation. For the year ended June 30, 2016, undeposited cash receipts totaled \$365. The Supporting Documentation for Undeposited Career Center Cash Receipts section provides details regarding transactions that comprise the \$365, and the explanations provided for the differences. We were unable to confirm the accuracy of the explanations provided.

To ensure all monies received are accounted for properly, official prenumbered receipt slips should be issued in numerical order for all monies received and the method of payment should be recorded on receipt slips and reconciled to the composition of receipts recorded on the deposits or transmittals. The failure to record all receipts and transmit and deposit monies intact and timely increases the risk of loss, theft, or misuse of funds.

2.3 Petty cash

The career center does not follow the district's petty cash procedures. Petty cash is maintained in the main office, the nursing program, and the adult education program. Petty cash funds are not handled on an imprest basis or replenished as required by district procedure, and amounts on hand sometimes exceed the allowed maximum. Daily receipts are used to replenish the funds and comingled with petty cash monies. Petty cash on hand at the career center's main office, the nursing program, and the adult education program totaled \$2,038, \$308, and \$115 on March 29, 2016, respectively.



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District procedures state petty cash funds should not exceed \$300, and paid receipts and cash on hand should total the authorized fund amount. District procedures also require schools to submit a request to replenish the petty cash fund to the district's administrative office accompanied with a summary sheet with all disbursements properly accounted for to replenish funds. Petty cash funds should only be reimbursed through district disbursement and not from daily receipts. Establishing petty cash funds on an imprest basis and ensuring the funds are used only for intended purposes reduces the risk of loss, theft, and misuse. In addition, keeping daily receipts separate from petty cash funds and replenishing petty cash through district reimbursement rather than using daily receipts, helps ensure daily receipts are tracked and deposited intact.

Recommendations

The Board of Education:

- 2.1 Adequately segregate accounting duties or ensure documented supervisory or independent reviews of accounting records are performed.
- 2.2 Ensure monies are properly receipted, transmitted and deposited timely and intact, receipt slips indicate the method of payment, and receipts are reconciled to the composition of deposits. Also, the Board of Education should ensure supporting documentation is submitted with all transmittals of monies and reconciled to the transmittal and checks are restrictively endorsed upon receipt.
- 2.3 Ensure handling of petty cash funds adheres to district procedures.

Auditee's Response

- 2.1 *The district is aware of a need for consistent and efficient systems to segregate accounting duties and ensure the adequate documented supervisory review of those records. The district is currently reviewing procedures to provide the needed safeguards.*
- 2.2 *The district is in the process of establishing an SOP (Standard Operating Procedures) for cash collection, including but not limited to, prenumbered receipt slips for all monies collected and transmitted, timely depositing procedures, independent reviews and reconciliations of monies collected, and properly endorsed checks. The district will work vigorously to provide yearly training to all staff with cash handling responsibilities.*
- 2.3 *The district agrees all locations should adhere to the district policies and procedures for petty cash. The district plans to implement regular training and balancing reviews to ensure all locations are complying.*



3. Athletic Department

Significant improvements are needed in the athletic department's cash handling internal controls and procedures. The athletic department is responsible for school sponsored athletic teams at the high school and middle school level. The athletic department receives monies for registration fees, gate admissions, lost or damaged team accessories, and specialized sports apparel or equipment. Monies are collected in the athletic department office and at various athletic events. Monies collected for gate admissions at athletic events are transmitted to the athletic department secretary for deposit. Transmitted monies, along with monies collected by the athletic department secretary, are combined for deposit.

3.1 Receipting and depositing

The athletic department does not issue prenumbered receipt slips, a supervisory or independent review to ensure monies received are deposited is not performed, and receipts are not always deposited intact.

- Receipts slips are not issued. Students occasionally pay for specialized apparel or equipment, such as hats, at the beginning of the season. The athletic department secretary is responsible for collecting the monies associated with the specialized apparel or equipment and preparing the deposits. However, receipt slips are not issued for the monies collected and no other documentation is utilized to ensure all monies received are deposited.
- There is no supervisory or independent review to ensure registration fees are deposited. Student athletes are required to pay a registration fee to participate in school sponsored athletic programs. When registration fees are collected, a registration card is completed and logged in a ledger. The athletic department secretary is responsible for logging the registration fees in the ledger and preparing the deposits. A supervisory or independent review of this process is not performed.
- Receipts are not always deposited intact. The secretary indicated she will occasionally issue a cash refund from monies on hand.

To ensure all monies received are accounted for properly, official prenumbered receipt slips should be issued in numerical order for all monies received, and the method of payment should be recorded on receipt slips and reconciled to the composition of receipts recorded on the deposits or transmittals. In addition, periodic documented supervisory or independent reviews of accounting records should be performed. The failure to transmit and deposit monies intact and properly document such procedures increases the risk of loss, theft, or misuse of funds.

3.2 Athletic events

Tickets are not issued to attendees of district athletic events and the district uses no other method to track attendance. As a result, the athletic department cannot verify the propriety of collection amounts for comparison



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to deposits. In addition, there is no documented independent verification of the beginning cash amounts at various athletic events.

Gatekeeping startup cash is provided to workers to make change at each event. At the end of the event, all cash is counted and the difference between the startup cash and the total counted is deposited and recorded as admissions fees for that event. The athletic department utilizes a control sheet with designated areas for approval/verification to account for startup cash and admission fees. The athletic department secretary is primarily responsible for counting the startup cash and preparing the control sheet; however, the beginning cash is not verified by anyone other than this secretary who initially prepares the control sheet.

To ensure monies are accounted for properly and deposited, tickets should be issued for athletic events or another method developed to account for attendance, and beginning and ending cash amounts should be independently verified. The failure to account for all monies collected and properly document such procedures increases the risk of loss, theft, or misuse of funds.

3.3 Petty cash

The athletic department does not follow the district's petty cash procedures.

Constant amount

Petty cash at the athletic department is not maintained on an imprest basis or replenished as required by district procedure, and amounts on hand sometimes exceed the allowed maximum. Petty cash at the athletic department is maintained in the main office. Daily receipts are used to replenish the fund and comingled with petty cash monies. Petty cash on hand totaled \$384 on March 23, 2016.

District procedures state petty cash funds should not exceed \$300, and paid receipts and cash on hand should total the authorized fund amount. District procedures also require schools to submit a request to replenish the petty cash fund to the district's administrative office accompanied with a summary sheet with all disbursements properly accounted for to replenish funds. Petty cash funds should only be reimbursed through district disbursement and not from daily receipts. Establishing petty cash funds on an imprest basis and ensuring the funds are used only for intended purposes reduces the risk of loss, theft, and misuse. In addition, keeping daily receipts separate from petty cash funds and replenishing petty cash through district reimbursement rather than using daily receipts, helps ensure daily receipts are tracked and deposited intact.

Cash refunds

Petty cash at the athletic department is used for issuing cash refunds and these disbursements are not documented in an activity log. The athletic department issues cash refunds from petty cash for registration fees if a student later does not participate in the registered athletic activity. Athletic



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department personnel indicated refunds are handled in this manner to speed up the refund process.

District procedures state all disbursements from petty cash should be supported by receipted bills or other evidence documenting the expenditure in a form available for audit.

Recommendations

The Board of Education:

- 3.1 Ensure monies are properly receipted, transmitted and deposited timely and intact, receipt slips indicate the method of payment, and receipts are reconciled to the composition of deposits. In addition, the Board of Education should ensure an adequate supervisory or independent review of accounting records is performed and documented.
- 3.2 Establish written policies and procedures for tracking athletic event attendance to have a basis to perform a reconciliation between attendance and cash collections. In addition, the Board of Education should ensure beginning and ending cash collection amounts are verified by someone independent of the process.
- 3.3 Ensure handling of petty cash funds adheres to district procedures and petty cash is used for allowable purposes.

Auditee's Response

- 3.1 *The district is in the process of establishing an SOP for cash collection, including but not limited to, prenumbered receipt slips for all monies collected and transmitted, timely depositing procedures, independent reviews and reconciliations of monies collected, and properly endorsed checks. The district will work vigorously to provide yearly training to all staff with cash handling responsibilities.*
- 3.2 *The district can see the need for the ability to track athletic event attendance to ensure an accurate account of monies collected. The district is currently researching the most efficient and effective process to implement for these collections.*
- 3.3 *The district agrees all locations should adhere to the district policies and procedures on petty cash. The district plans to implement regular training and balancing reviews to ensure all locations are complying.*

4. School Stores

School store internal controls need improvement. To provide additional educational value to the students working in the school stores, students



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should be taught to operate the stores using proper record-keeping procedures and effective internal controls.

We reviewed procedures at the high school coffee shop and the career center and Sixth Grade Center school stores. The coffee shop and school stores are run by students under the supervision of a store sponsor (teacher). During the 2014-2015 school year, the high school coffee shop, the career center store, and the Sixth Grade Center store receipted monies totaling approximately \$37,900, \$34,000, and \$3,400, respectively.

4.1 Receipting and depositing

Improvements are needed in the handling of coffee shop and school store collections. The coffee shop and school stores use cash boxes rather than a cash register for receipts, and no sales records are utilized to track collections. As a result, no reconciliation of receipts to transmittals or deposits can be performed. While the students are primarily responsible for collecting monies, the store sponsor is responsible for all other accounting duties, including preparing and transmitting deposits. Store personnel either transmit collections to the respective school secretaries for deposit or take them directly to the bank for deposit. However, without sales records the sponsor cannot ensure transmittals or deposits are complete.

To ensure monies are accounted for properly and transmitted or deposited, sales records should be used and reconciled to monies collected and the method of payment should be recorded and reconciled to the composition of receipts recorded in the transmittal/deposit. In addition, periodic documented supervisory or independent reviews of accounting records should be performed.

4.2 Inventory

Neither the store sponsors nor student workers maintain perpetual inventory records, conduct periodic physical inventory counts, or reconcile inventory to merchandise sales and purchases. The store sponsors only perform a weekly check to determine what merchandise is needed to run the stores.

Loss, theft, or misuse of school store inventory may go undetected without adequate inventory records and documented reconciliations. Effective inventory internal controls require maintaining perpetual records of all inventory items and performing a reconciliation of the balances obtained during the physical inventory count and the balances recorded on the perpetual inventory records.

Recommendations

The Board of Education:

- 4.1 Ensure monies are properly receipted and establish procedures to ensure all monies received are transmitted for deposit timely and intact. In addition, the Board of Education should ensure monies are reconciled to the composition of deposits and a supervisory or



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independent review of accounting records is performed and documented.

- 4.2 Maintain perpetual inventory records and ensure regular inventories are performed at all school stores, and inventory balances are reconciled to purchases and sales.

Auditee's Response

- 4.1 *The district is in the process of establishing an SOP for cash collection, including but not limited to, prenumbered receipt slips for all monies collected and transmitted, timely depositing procedures, independent reviews and reconciliations of monies collected, and properly endorsed checks. The district will work vigorously to provide yearly training to all staff with cash handling responsibilities.*
- 4.2 *The district is currently researching Point of Sales systems to use for all school stores in the district. The district understands the need to keep accurate inventory and sales records along with balancing those sales with the monies deposited. By implementing a Point of Sales system in the school store the district also recognizes the learning opportunities for the students working.*

5. Waynesville High School

Significant improvements are needed in the high school's cash handling internal controls and procedures. The high school receives monies for student activities, such as graduation, prom, and the senior trip; student fees, such as parking fees, school property damage/replacement fees, and identification badge fees; club fundraisers; and yearbooks. Monies are collected at various locations at the high school, including the main office and the library. Monies are also collected by the Activities Director and various activity sponsors. Monies collected by library personnel, activity sponsors, and by two of the secretaries in the main office are transmitted to the head secretary for deposit. The Activities Director prepares the deposit for monies he collects and transmits the monies and the prepared deposit slip to the main office. The head secretary also collects monies, and these monies are included in deposits with other transmitted monies. The high school developed receipting and depositing procedures for staff to follow.

- 5.1 Segregation of duties and supervisory review The high school has not adequately segregated the duties of receiving, recording, and depositing or transmitting monies, and documented supervisory or independent reviews of the accounting records are not performed. The head secretary is primarily responsible for accounting duties, including recording transactions and preparing deposits for monies collected in the main office or transmitted by the library or activity sponsors and there is no independent review of this process.



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5.2 Receipting and depositing

To reduce the risk of loss, theft, or misuse of funds, proper segregation of duties is necessary to ensure transactions are accounted for properly and assets are adequately safeguarded. If proper segregation of duties cannot be achieved, periodic documented supervisory or independent reviews of accounting records should be performed.

Prenumbered receipt slips are not always issued, activity sponsors do not always submit supporting documentation with monies transmitted, receipt slips do not always indicate the method of payment, checks are not always restrictively endorsed immediately upon receipt, and receipts are not always transmitted or deposited timely and intact.

- Main office personnel do not issue receipt slips for various student activity or other student fees collected in the main office and library personnel do not issue receipt slips for library fees collected. The Activities Director issues receipt slips for the various student activity fees he collects and the head secretary issues receipt slips for monies transmitted to her for deposit; however, the receipt slips are not prenumbered. In addition, activity sponsors do not always submit supporting documentation to the main office with the monies they collect or the main office secretary does not review the supporting documentation submitted to ensure all monies received were transmitted for deposit. As a result, receipts cannot be reconciled to transmittals/deposits.
- Receipt slips issued do not indicate the method of payment (cash, check, or money order) so the composition of receipts cannot be reconciled to the composition of deposits.
- The Activities Director does not restrictively endorse checks immediately upon receipt. He endorses checks when preparing the deposit.
- Receipts are not always transmitted or deposited timely or intact. A cash count performed on March 28, 2016, determined the Activities Director had \$490 for cap and gown rentals on hand; some of which was receipted as early as March 22, 2016. However, a cash count performed on March 29, 2016, in the main office determined only \$455 of the \$490 was transmitted for deposit. The Activities Director retained \$35 to establish a change fund. The high school's written procedures state all monies collected by student activity sponsors are to be turned over to the school secretary for deposit within 24 hours of receipt.

To ensure all monies received are accounted for properly, official prenumbered receipt slips should be issued in numerical order for all monies received, and the method of payment should be recorded on receipt slips and



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reconciled to the composition of receipts recorded on the deposits or transmittals. The failure to record receipts and transmit and deposit monies intact and timely increases the risk of loss, theft, or misuse of funds.

5.3 Petty cash

The high school does not follow the district's petty cash procedures. Petty cash at the high school is maintained in the main office and the library. Petty cash funds are not handled on an imprest basis or replenished as required by district procedures, and amounts on hand sometimes exceed the allowed maximum. Petty cash on hand totaled \$72 on March 28, 2016, at the high school's library and \$395 on March 29, 2016, at the high school's main office.

District procedures state petty cash funds should not exceed \$300, and paid receipts and cash on hand should total the authorized fund amount. District procedures also require schools to submit a request to replenish the petty cash fund to the district's administrative office accompanied with a summary sheet with all disbursements properly accounted for to replenish funds. Petty cash funds should only be reimbursed through district disbursement and not from daily receipts. Establishing petty cash funds on an imprest basis and ensuring the funds are used only for intended purposes reduces the risk of loss, theft, and misuse. In addition, keeping daily receipts separate from petty cash funds and replenishing petty cash through district reimbursement rather than using daily receipts, helps ensure daily receipts are tracked and deposited intact.

Recommendations

The Board of Education:

- 5.1 Adequately segregate accounting duties or ensure documented supervisory or independent reviews of accounting records are performed.
- 5.2 Ensure monies are properly receipted, transmitted and deposited timely and intact, receipt slips indicate the method of payment, and receipts are reconciled to the composition of deposits. Also, the Board of Education should ensure supporting documentation is submitted with all transmittals of monies and reconciled to the transmittal and checks are restrictively endorsed upon receipt.
- 5.3 Ensure handling of petty cash funds adheres to district procedures.

Auditee's Response

- 5.1 *The district is aware of a need for consistent and efficient systems to segregate accounting duties and ensure the adequate documented supervisory review of those records. The district is currently reviewing procedures to provide the needed safeguards.*



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- 5.2 *The district is in the process of establishing an SOP for cash collection, including but not limited to, prenumbered receipt slips for all monies collected and transmitted, timely depositing procedures, independent reviews and reconciliations of monies collected, and properly endorsed checks. The district will work vigorously to provide yearly training to all staff with cash handling responsibilities.*
- 5.3 *The district agrees all locations should adhere to the district policies and procedures for petty cash. The district plans to implement regular training and balancing reviews to ensure all locations are complying.*

6. Waynesville Middle School and the Sixth Grade Center

Significant improvements are needed in the cash handling internal controls and procedures at the Waynesville Middle School and Sixth Grade Center. The middle school and the Sixth Grade Center receive monies for student activities, such as field trips and book fairs; student fees, such as school property damage/replacement fees and identification badge fees; fundraisers; and yearbooks. Monies are collected at various locations at the middle school and Sixth Grade Center, including the main office, the library, and by specific activity sponsors. Monies collected in the library and by activity sponsors are transmitted to the main office secretary for deposit. The main office secretary also collects monies, and these monies are included in deposits with other transmitted monies.

6.1 Segregation of duties and supervisory review

The middle school and Sixth Grade Center have not adequately segregated the duties of receiving, recording, and depositing or transmitting monies, and documented supervisory or independent reviews of the accounting records are not performed. The main office secretary at each school is primarily responsible for accounting duties, including recording transactions and preparing deposits and there is no independent review of this process.

To reduce the risk of loss, theft, or misuse of funds, proper segregation of duties is necessary to ensure transactions are accounted for properly and assets are adequately safeguarded. If proper segregation of duties cannot be achieved, periodic documented supervisory or independent reviews of accounting records should be performed.

6.2 Receipting and depositing

Prenumbered receipt slips are not always issued, activity sponsors do not always submit supporting documentation with monies transmitted, receipt slips do not always indicate the method of payment, checks are not always restrictively endorsed immediately upon receipt, and receipts are not always transmitted or deposited timely and intact at the middle school or Sixth Grade Center.



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- School personnel at both schools do not issue receipt slips for various student activity or student fees collected in the main office. Each school's secretary issues receipt slips only for monies transmitted to the main office for deposit; however, these receipt slips are not prenumbered. In addition, activity sponsors do not always submit supporting documentation to the main office with the monies they collect to help ensure all monies received were transmitted for deposit. As a result, receipts cannot be reconciled to transmittals/deposits.
- Receipt slips issued by library personnel at each school and for transmittals do not indicate the method of payment (cash, check, or money order) so the composition of receipts cannot be reconciled to the composition of deposits.
- Checks are not restrictively endorsed immediately upon receipt at either school. The secretaries endorse checks when the deposit is prepared.
- Receipts are not always transmitted or deposited timely and intact at either school. During our review of the petty cash log at the middle school, we noted receipts associated with the September 2015 book fair totaling \$573 were not transmitted for deposit until March 2016. In addition, the book fair monies deposited in March 2016 were not deposited intact. Also, the Sixth Grade Center secretary indicated she will occasionally retain receipted monies to make change.

To ensure all monies received are accounted for, official prenumbered receipt slips should be issued in numerical order for all monies received, and the method of payment should be recorded on receipt slips and reconciled to the composition of receipts recorded on the deposits or transmittals. The failure to record receipts and transmit and deposit monies intact and timely increases the risk of loss, theft, or misuse of funds.

6.3 Petty cash

Constant amount

The middle school and Sixth Grade Center do not follow the district's petty cash procedures.

Petty cash at the middle school and Sixth Grade Center is not maintained on an imprest basis or replenished as required by district procedure. Petty cash at the middle school and Sixth Grade Center is maintained in the main office and the library. The Sixth Grade Center school store also maintains a petty cash fund. Daily receipts are used to replenish the funds and comingled with petty cash monies. Petty cash on hand totaled \$210 on March 29, 2016, at the middle school's main office and \$258 on March 29, 2016, at the middle school's library. Petty cash on hand at the Sixth Grade Center's main office, library, and school store totaled \$220, \$256, and \$275 on March 30, 2016, respectively.



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District procedures state petty cash funds should not exceed \$300, and paid receipts and cash on hand should total the authorized fund amount. District procedures also require schools to submit a request to replenish the petty cash fund to the district's administrative office accompanied with a summary sheet with all disbursements properly accounted for to replenish funds. Petty cash funds should only be reimbursed through district disbursement and not from daily receipts. Establishing petty cash funds on an imprest basis and ensuring the funds are used only for intended purposes reduces the risk of loss, theft, and misuse. In addition, keeping daily receipts separate from petty cash funds and replenishing petty cash through district reimbursement rather than using daily receipts, helps ensure daily receipts are tracked and deposited intact.

Disbursements

Some Sixth Grade Center petty cash disbursements were not allowable and gift cards purchased with petty cash are not logged and tracked. During our review of petty cash disbursements at the Sixth Grade Center, we noted petty cash was used for several purchases in excess of \$50. We also noted gift card purchases of \$1,327 at the Sixth Grade Center for student and staff rewards and there was no process to track and ensure proper distribution of the cards.

District procedures states unacceptable purchases from petty cash include, but are not limited to, purchases which exceed \$50 (regardless of whether the purchase is made in one or several installments), purchases for furniture or equipment (i.e., cameras, televisions, computer equipment, etc.), reimbursing employees, and cashing checks.

Recommendations

The Board of Education:

- 6.1 Adequately segregate accounting duties or ensure documented supervisory or independent reviews of accounting records are performed.
- 6.2 Ensure monies are properly receipted, deposited timely and intact, receipt slips indicate the method of payment, and receipts are reconciled to the composition of deposits. Also, the Board of Education should ensure supporting documentation is submitted with all transmittals of monies and reconciled to the transmittal, and checks are restrictively endorsed upon receipt.
- 6.3 Ensure handling of petty cash funds adheres to district procedures and petty cash is used for allowable purposes. Also, policies and procedures for purchasing and tracking gift cards should be established.



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Auditee's Response

- 6.1 *The district is aware of a need for consistent and efficient systems to segregate accounting duties and ensure the adequate documented supervisory review of those records. The district is currently reviewing procedures to provide the needed safeguards.*
- 6.2 *The district is in the process of establishing an SOP for cash collection, including but not limited to, prenumbered receipt slips for all monies collected and transmitted, timely depositing procedures, independent reviews and reconciliations of monies collected and properly endorsed checks. The district will work vigorously to provide yearly training to all staff with cash handling responsibilities.*
- 6.3 *The district agrees all locations should adhere to the district policies and procedures for petty cash. The district plans to implement regular training and balancing reviews to ensure all locations are complying. The district also plans to eliminate the purchase and/or use of gift cards throughout the district.*

7. Elementary Schools

Significant improvements are needed in the cash handling internal controls and procedures at the Waynesville school district elementary schools. There are five elementary schools within the district: Wood Elementary, Thayer Elementary, East Elementary, Partridge Elementary, and Freedom Elementary. The elementary schools receive monies for student activities, such as field trips and book fairs; student fees, such as school property damage/replacement fees; fundraisers; and yearbooks. Monies are collected at various locations at each elementary school, including the main office, the library, and by specific activity sponsors. Monies collected in each elementary school's library and by activity sponsors are transmitted to the elementary school's main office secretary for deposit. Each elementary school's main office secretary also collects monies, and these monies are included in deposits with other transmitted monies.

7.1 Segregation of duties and supervisory review

The elementary schools have not adequately segregated the duties of receiving, recording, and depositing or transmitting monies, and documented supervisory or independent reviews of the accounting records are not performed. The main office secretary at each school is primarily responsible for accounting duties, including recording transactions and preparing deposits and there is no independent review of this process.

To reduce the risk of loss, theft, or misuse of funds, proper segregation of duties is necessary to ensure transactions are accounted for properly and assets are adequately safeguarded. If proper segregation of duties cannot be achieved, periodic documented supervisory or independent reviews of accounting records should be performed.



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7.2 Receipting and depositing

Prenumbered receipt slips are not always issued, activity sponsors do not always submit supporting documentation with monies transmitted, checks are not restrictively endorsed immediately upon receipt, and receipts are not always transmitted or deposited timely and intact.

- School personnel, including library personnel, at Wood and Thayer Elementary do not issue prenumbered receipt slips for various student activity or other student fees collected.
- School personnel at East, Partridge, and Freedom Elementary Schools do not issue prenumbered receipt slips for various student activity or other student fees collected in the main office. Library personnel at these schools issue receipt slips for monies collected; however, the receipt slips are not prenumbered.
- Elementary school activity sponsors do not always submit supporting documentation with monies they transmit to help ensure all monies received were transmitted for deposit. In addition, the main office secretary at Wood Elementary indicated when supporting documentation is submitted by an activity sponsor, the documentation is not always retained. As a result, receipts cannot be reconciled to transmittals/deposits.
- Elementary school personnel do not restrictively endorse checks immediately upon receipt. Each school's secretary endorses checks when the deposit is prepared.
- Receipts at Wood, Partridge, and Freedom Elementary Schools are not always deposited intact. Wood Elementary library personnel indicated they will occasionally issue a cash refund for lost book fees from monies on hand that have not been transmitted for deposit. The secretary at Partridge Elementary indicated she will hold monies from a school fundraiser to use as a change fund throughout the school year. The secretary at Freedom Elementary indicated she will occasionally issue a cash refund from monies on hand that have not been transmitted for deposit.
- Receipts at Thayer and East Elementary Schools are not always transmitted or deposited timely. During a cash count performed at Thayer Elementary on April 11, 2016, we noted \$639 in receipts from an April 1, 2016, school carnival and art show remained undeposited. These monies were deposited on April 12, 2016. An April 8, 2016, cash count at East Elementary determined \$3,581 remained on hand from the school's Art to Remember fundraiser, which began on March 21, 2016. These monies were subsequently deposited on April 20, 2016. In addition, East Elementary library personnel exchange check receipts for



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an equivalent amount of cash from the main office to replenish the petty cash fund.

To ensure all monies received are accounted for, official prenumbered receipt slips should be issued in numerical order for all monies received, and the method of payment should be recorded on receipt slips and reconciled to the composition of receipts recorded on the deposits or transmittals. The failure to record receipts and transmit and deposit monies intact and timely increases the risk of loss, theft, or misuse of funds.

7.3 Petty cash

The elementary schools do not follow the district's petty cash procedures.

Constant amount

Petty cash at the elementary schools are not maintained on an imprest basis, district established procedures for replenishing petty cash are not followed, and amounts on hand sometimes exceed the allowed maximum. Petty cash at the elementary schools is maintained in the main office and the library. Daily receipts are used to replenish the funds and comingled with petty cash monies. Petty cash on hand at the time of April 2016 cash counts at the various elementary schools ranged from \$60 at Wood Elementary to \$417 at Partridge Elementary. None of the petty cash funds were maintained at a constant amount and the funds at Thayer, East, and Partridge Elementary Schools exceeded the maximum allowed balance.

District procedures state petty cash funds should not exceed \$300, and paid receipts and cash on hand should total the authorized fund amount. District procedures also require schools to submit a request to replenish the petty cash fund to the district's administrative office accompanied with a summary sheet with all disbursements properly accounted for to replenish funds. Petty cash funds should only be reimbursed through district disbursement and not from daily receipts. Establishing petty cash funds on an imprest basis and ensuring the funds are used only for intended purposes reduces the risk of loss, theft, and misuse. In addition, keeping daily receipts separate from petty cash funds and replenishing petty cash through district reimbursement rather than using daily receipts, helps ensure daily receipts are tracked and deposited intact.

Disbursements

Some disbursements made from petty cash at Wood and Thayer Elementary Schools were not allowable and gift cards purchased with petty cash are not logged and tracked. We noted petty cash was used for several purchases in excess of \$50, for reimbursing employees, and for cashing checks. We also noted gift card purchases of \$395 at Wood Elementary and \$150 at Thayer Elementary for student and staff rewards and there was no process at either school to track and ensure proper distribution of the cards.

District procedures state unacceptable purchases from petty cash include, but are not limited to, purchases which exceed \$50 (regardless of whether



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the purchase is made in one or several installments), purchases for furniture or equipment (i.e., cameras, televisions, computer equipment, etc.), reimbursing employees, and cashing checks.

Recommendations

The Board of Education:

- 7.1 Adequately segregate accounting duties or ensure documented supervisory or independent reviews of accounting records are performed.
- 7.2 Ensure monies are properly receipted and deposited timely and intact. Also, the Board of Education should ensure supporting documentation is submitted with all transmittals of monies and reconciled to the transmittal, and checks are restrictively endorsed upon receipt.
- 7.3 Ensure handling of petty cash funds adheres to district procedures and petty cash is used for allowable purposes. Also, policies and procedures for purchasing and tracking gift cards should be established.

Auditee's Response

- 7.1 *The district is aware of a need for consistent and efficient systems to segregate accounting duties and ensure the adequate documented supervisory review of those records. The district is currently reviewing procedures to provide the needed safeguards.*
- 7.2 *The district is in the process of establishing an SOP for cash collection, including but not limited to, prenumbered receipt slips for all monies collected and transmitted, timely depositing procedures, independent reviews and reconciliations of monies collected, and properly endorsed checks. The district will work vigorously to provide yearly training to all staff with cash handling responsibilities.*
- 7.3 *The district agrees all locations should adhere to the district policies and procedures for petty cash. The district plans to implement regular training and balancing reviews to ensure all locations are complying. The district also plans to eliminate the purchase and/or use of gift cards throughout the district.*

8. Williams Early Childhood Center

Significant improvements are needed in the cash handling internal controls and procedures at the Williams Early Childhood Center. The Williams Early Childhood Center is the pre-kindergarten portion of an elementary school located on the Fort Leonard Wood military base. The center primarily receives monies for fundraisers and yearbooks. Monies are collected at various locations at the center, including the main office, the library, and by



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teachers. Monies collected in the library and by teachers are transmitted to the main office secretary for deposit. The main office secretary also collects monies, and these monies are included in the deposits with other transmitted monies.

8.1 Segregation of duties and supervisory review

The Williams Early Childhood Center has not adequately segregated the duties of receiving, recording, and depositing or transmitting monies, and documented supervisory or independent reviews of the accounting records are not performed. The main office secretary is primarily responsible for accounting duties, including recording transactions and preparing deposits.

To reduce the risk of loss, theft, or misuse of funds, proper segregation of duties is necessary to ensure transactions are accounted for properly and assets are adequately safeguarded. If proper segregation of duties cannot be achieved, periodic documented supervisory or independent reviews of accounting records should be performed.

8.2 Receipting and depositing

Prenumbered receipt slips are not issued and checks are not always restrictively endorsed immediately upon receipt.

- Prenumbered receipt slips are not issued for monies collected by teachers or by the main office secretary for monies transmitted to the office. As a result, receipts cannot be reconciled to transmittals/deposits.
- Checks are not restrictively endorsed immediately upon receipt. The secretary endorses checks when the deposit is prepared.

To ensure all monies received are accounted for, official prenumbered receipt slips should be issued in numerical order for all monies received, and the method of payment should be recorded on receipt slips and reconciled to the composition of receipts recorded on the deposits or transmittals. The failure to record receipts and transmit and deposit monies intact and timely increases the risk of loss, theft, or misuse of funds.

8.3 Petty cash

The Williams Early Childhood Center does not follow the district's petty cash procedures. Petty cash at the center is maintained in the main office. Petty cash funds are not handled on an imprest basis or reimbursed as required by district procedure. Daily receipts are used to replenish the fund and comingled with petty cash monies. Petty cash on hand totaled \$236 on April 11, 2016.

District procedures state petty cash funds should not exceed \$300, and paid receipts and cash on hand should total the authorized fund amount. District procedures also require schools to submit a request to replenish the petty cash fund to the district's administrative office accompanied with a summary sheet with all disbursements properly accounted for to replenish



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funds. Petty cash funds should only be reimbursed through district disbursement and not from daily receipts. Establishing petty cash funds on an imprest basis and ensuring the funds are used only for intended purposes reduces the risk of loss, theft, and misuse. In addition, keeping daily receipts separate from petty cash funds and replenishing petty cash through district reimbursement rather than using daily receipts, helps ensure daily receipts are tracked and deposited intact.

Recommendations

The Board of Education:

- 8.1 Adequately segregate accounting duties or ensure documented supervisory or independent reviews of accounting records are performed.
- 8.2 Ensure monies are properly receipted, and receipts are reconciled to the composition of deposits. Also, the Board of Education should ensure checks are restrictively endorsed upon receipt.
- 8.3 Ensure handling of petty cash funds adheres to district procedures.

Auditee's Response

- 8.1 *The district is aware of a need for consistent and efficient systems to segregate accounting duties and ensure the adequate documented supervisory review of those records. The district is currently reviewing procedures to provide the needed safeguards.*
- 8.2 *The district is in the process of establishing an SOP for cash collection, including but not limited to, prenumbered receipt slips for all monies collected and transmitted, timely depositing procedures, independent reviews and reconciliations of monies collected, and properly endorsed checks. The district will work vigorously to provide yearly training to all staff with cash handling responsibilities.*
- 8.3 *The district agrees all locations should adhere to the district policies and procedures for petty cash. The district plans to implement regular training and balancing reviews to ensure all locations are complying.*

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Organization and Statistical Information

The Waynesville R-VI School District is located in Pulaski County, Missouri.

The district operates a senior high school (grades 9-12), a middle school (grades 7-8), a Sixth Grade Center, 5 elementary schools (grades K-5 in various configurations), an early childhood center, and a career center. Enrollment was 5,795 for the 2015-2016 school year. The district employed 775 full-time and 121 part-time employees, at June 30, 2016.

The Waynesville R-VI School District has been classified under the Missouri School Improvement Program as "Accredited" by the Missouri Department of Elementary and Secondary Education.

Board of Education

An elected board acts as the policy-making body for the district's operations. The board's seven members serve 3-year terms without compensation. Members of the board at June 30, 2016, were:

Dr. LeRoy Fulmer, President
Butch O'Riley, Vice-President
Andy Anderson, Secretary
Paul Schultz II, Treasurer
Mike Keeling, Member
Lisa Schwandt, Member
Charles Quinn, Member

Superintendent

The district's superintendent at June 30, 2016, was Dr. Brian Henry and his annual compensation was \$147,900. The superintendent's compensation is established by the Board of Education.

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Supporting Documentation for Undeposited Career Center Cash Receipts

Undeposited Cash Receipts

Deposit Date	Recorded Cash Receipts	Recorded Check Receipts	Unrecorded Check Receipts	Total Receipts	Cash Deposited	Checks Deposited	Total Deposited	Cash Long/(Short)	Checks Long/(Short)	Total Difference	
9/4/2015	\$ 1,921.37	639.26	20.00	2,580.63	1,901.37	659.26	2,560.63	(20.00)	0.00	(20.00)	(1)
10/22/2015	2,650.10	966.00	10.00	3,626.10	2,640.10	976.00	3,616.10	(10.00)	0.00	(10.00)	(2)
10/29/2015	1,518.00	2,697.00	150.10	4,365.10	1,368.00	2,847.10	4,215.10	(150.00)	0.00	(150.00)	(3)
12/8/2015	1,558.52	1,899.75	30.00	3,488.27	1,523.52	1,934.75	3,458.27	(35.00)	5.00	(30.00)	(4)
12/17/2015	2,758.05	2,315.00	30.00	5,103.05	2,728.05	2,345.00	5,073.05	(30.00)	0.00	(30.00)	(5)
2/2/2016	453.00	8,612.92	10.00	9,075.92	443.00	8,622.92	9,065.92	(10.00)	0.00	(10.00)	(6)
4/20/2016	1,160.50	1,004.50	40.00	2,205.00	1,120.50	1,044.50	2,165.00	(40.00)	0.00	(40.00)	(7)
5/4/2016	1,550.00	1,412.00	75.00	3,037.00	1,475.00	1,487.00	2,962.00	(75.00)	0.00	(75.00)	(8)
\$	13,569.54	19,546.43	365.10	33,481.07	13,199.54	19,916.53	33,116.07	(370.00)	5.00	(365.00)	

Explanations Provided:

- (1) A \$20 personal check was received, but not recorded. The check was deposited with school store receipts and \$20 was removed and not deposited.
- (2) The Financial Secretary indicated a personal check for \$10 was received for "Boss' Day Donation." This check was deposited with school store receipts and \$10 cash was removed and not deposited. An explanation regarding not depositing the \$10 was not provided.
- (3) The Financial Secretary indicated one check for \$150 was received for the annual scholarship golf tournament and was deposited with school store receipts. An equivalent amount of cash was removed from the school store receipts and provided to the golf tournament scholarship committee to have cash on hand during the tournament. We were unable to determine if the \$150 was redeposited.
- (4) The Financial Secretary indicated three personal checks, each in the amount of \$10, were received from Career Center employees for a "Jeans Day" donation for the Shop With a Cop program. These checks were deposited with school store receipts and \$30 cash was removed and not deposited. The Financial Secretary indicated she provided \$30 cash to the sponsor who collected the donations.
- (5) A \$50 personal check from the Financial Secretary was included in the deposit. The Financial Secretary indicated \$20 was for social dues and the remaining \$30 applied to school store receipts. However, school store records indicate all store receipts transmitted were cash and the amount of cash deposited was \$30 less than transmitted by the school store.
- (6) A \$10 personal check from a career center employee was included in this deposit. This check was written for "cash" and appears to have been cashed with other departmental cash receipts.
- (7) The Financial Secretary indicated two checks, each in the amount of \$20, were received by the Health Science Department for exam fees, but cash was required for these exam fees. The Financial Secretary indicated she removed \$40 cash from the school store cash receipts and provided this to the Health Sciences Department.
- (8) Five checks, each in the amount of \$15, that appeared to be for the "March of Dimes," were received but not recorded. These checks were included with Culinary Arts receipts. However, Culinary Arts records indicate all monies transmitted were cash and the amount of cash deposited was \$75 less than transmitted by Culinary Arts.