

**WASHINGTON PARISH SCHOOL BOARD
INDEPENDENT ACCOUNTANT'S REPORT ON
AGREED-UPON PROCEDURES**

**FOR
Thomas Elementary School**

**AS OF AND FOR THE PERIOD
July 1, 2016 through June 30, 2017**

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**WASHINGTON PARISH SCHOOL BOARD
INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Washington Parish School Board
Franklinton, LA

I have performed the procedures listed below, which were agreed upon by the Washington Parish School Board and Superintendent. These procedures were performed solely to assist the school board management with respect to compliance with policy and procedures concerning individual school activity accounts and school property inventory at Thomas Elementary School for the period of July 1, 2016 through June 30, 2017. The school board's management is responsible for the accounting and inventory records and for established policies and procedures over the student activity fund and school inventory. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

I tested inventory records to determine the physical existence of property as listed on the school's property inventory report and to determine that property at the school was included on the inventory list. I also inspected property items to determine if they were identified as the property of the school and numbered in accordance with the property inventory list. I examined the records for the school's activity accounts. Bank reconciliations were tested for completeness and mathematical accuracy. Disbursements were tested for proper use of requisitions, purchase orders and supporting documentation in relation to the school board policies and procedures. I tested bank deposits against pre-numbered receipts for propriety and traced them to the activity account ledger. I calculated gross profit percentages on concession sales and performed reasonableness test on other receipt categories where applicable.

Bank Reconciliations

Six months were tested. All months tested were mathematically correct. There were no outstanding deposits that did not clear the bank. At the end of June 30, 2017 there were two checks over 90 days old totaling \$157. The beginning bank balance on July 1, 2016 was \$88,177 and the balance on June 30, 2017 was \$102,625 resulting in a net increase of \$14,448 for the period ended.

Cash Disbursements

I tested a total of 26 disbursements. School board policy requires that a properly executed requisition and purchase order be issued prior to the purchase or order of goods and services. Of the 26 disbursements examined, I found the following:

- One disbursement to Walmart for office supplies had a purchase requisition with no date.
- There were four reimbursements to various staff members with a purchase requisition but no purchase order.
- One invoice for coffee supplies was dated one day before the purchase requisition and purchase order.
- There was one check to refund a parent money for a play the child did not attend which had a purchase requisition but no purchase order.

All 26 disbursements had adequate invoice documentation and were coded to the correct fund.

Fundraisers

School board policy requires a request form to be filled out and submitted to Central Office prior to the fundraiser being held and a fundraiser financial report to be turned into Central Office. The request form requires the reasons for the fundraiser along with signatures of the sponsor or staff, principal, and superintendent. The fundraiser financial reports require an accounting of the revenues and expenditures of the fundraiser along with the signatures of the sponsor and principal.

Thomas Elementary had two fundraisers: 1) a book fair, and 2) a fall fundraiser to sell various items.

A request form was sent to Central Office for the fall fundraiser and was granted. The financial report could not be located. The forms for the book fair could not be located.

Cash Receipts

A total of 15 items were examined. The receipts tested were balanced to the daily recap and traced to the appropriate account in the activity ledger. Deposit tickets were complete and agreed with the daily report. Upon review of the documentation, it was noted that the report that lists each receipt number and amount that makes up the deposit was not attached as part of the backup to support the deposit. There were two receipts that were

deposited at the bank more than one business day later from the actual receipt of the money.

Concessions and Fundraisers

I compiled revenue and related expenditure information from the school's concession and fundraiser activities. Gross profits and related percentages are as follows:

	<u>Concessions</u>	<u>Book Fair</u>	<u>Fall Fundraiser</u>
Revenues	51,375	7,967	10,948
Expenditures	(32,480)	(4,318)	(5,847)
Gross Profit (\$)	18,896	3,648	5,101
Gross Profit (%)	37%	46%	47%

Concessions proceeds were not transferred to the general fund at the end of the school's year. The funds were still in the concession account at the end of the year.

The book fair proceeds were for the library fund. Net proceeds from the fall fundraiser were posted to the fundraiser account.

School pictures are taken by Bert Burr Photography. Commissions paid for the year were \$5,088. The funds were recorded in the school picture fund account.

Fixed Asset Inventory

To verify physical existence of items on the School inventory list, I randomly selected items from the inventory list and checked for their physical presence in the listed room. As I moved throughout the School, I also picked items from each room and then verified that the item was on the inventory list. I was able to locate inventory items with the assistance of school personnel. Of the 797 items contained on the school's property inventory, I selected a sample of 159 (20%). I found 100% of the items selected from the inventory list. I found 100% of the items selected from the school grounds. Of the 265 items selected, all items were tagged. All of the items I found were clearly marked with a property number and as property belonging to Washington Parish School Board. The principal is in charge of the inventory list.

Prior Year Findings

The last agreed-upon procedures report compiled was for the period May 1, 2015 through May 31, 2016. The following findings were listed in the report:

- Five disbursements did not have a purchase order.
- Two checks were handwritten.
- One disbursement had a purchase requisition with no date.
- Two disbursements appear to be donations of school funds.
- Proper paperwork for fundraisers was not completed.
- Documentation of transfers of money between funds was not properly authorized.
- The school had a TV that had been discarded but no paperwork had been processed to record the disposal.
- During the summer break, procedures to check out tablets were not properly followed.

I was not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of the board and management of Washington Parish School Board, and is not intended to be and should not be used by anyone other than these specified parties. The purpose of this report is to describe the procedures performed for school and the results of those procedures. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.



Minda B. Raybourn
Franklinton, LA
January 31, 2018

Corrective Action Plan for Thomas Elementary School

Corrective Action Plan for Thomas Elementary School

Bank Reconciliations:

The school will begin researching checks over 90 days old and taking appropriate action.

Cash Disbursements:

The principal will verify that each request for a check includes a requisition, purchase order, and an invoice, all of which will be dated.

Fundraisers:

Each time the school holds a fundraiser, the principal will request permission from the superintendent in advance on the Fundraiser Request Form. After the fundraiser is over, the principal will submit a Fundraiser Financial Report Form to the superintendent in a timely manner.

Cash Receipts:

The report that lists each receipt number and amount received for the day will be attached to the deposit information for that day. Also, daily deposits will be made of cash receipts.