



MEMORANDUM

TO: Audit Committee of the School Board of the City of Virginia Beach

FROM: Karen W. Woodson, CIA, CFE ^{KW}
School Board Internal Auditor, Department of Internal Audit

SUBJECT: Expenditure Analysis – Glenwood Elementary School

DATE: July 25, 2023

BACKGROUND

As part of 2023 Audit Work Plan, the Department of Internal Audit (IA) has performed an Expenditure Analysis for Glenwood Elementary School (GES). This work does not constitute an audit conducted in accordance with generally accepted government auditing standards.

GES has approximately 135 staff members, including the principal and two assistant principals, and has a student population of approximately 875 students. Money allocated to the schools are based on staffing as well as student enrollment. GES received an allocation of \$66,782 for FY22 and \$68,801 for FY23.

PROJECT OBJECTIVES

The primary objective of this project was to ensure expenditures were properly processed.

PROJECT SCOPE AND METHODOLOGY

IA reviewed non-salary/benefit related expenditures recorded in the Allocation Fund (202) for GES's location code (5097) for the period March 1, 2022 – February 28, 2023. For this period, expenditures totaled approximately \$77,516. IA examined 100% of these expenditures. IA regrouped and summarized the expenditures based on expenditure type.

IA reviewed these expenditures to determine if:

- The signature authority approved the transaction;
- The items purchased were reasonable based on the function of the department, school, or office;
- The users coded the transactions to the correct ledger account;
- The final approval for payment was received within 45 days of the invoice date, or the date the goods or services were received;
- The approved payment amount and vendor match the invoice;
- The invoice amount matches any contracts referenced in BuySpeed, if applicable;
- The contract attached or referenced in BuySpeed was properly approved/signed, if applicable; and
- Procurement guidelines were followed for transactions over \$10,000.

RESULTS

Summary of Expenditures Analyzed

IA summarized the analyzed expenditures into the following categories. Note that these categories are grouped by type of expenditure, not by general ledger account code.

<hr/> Category <hr/>	
Computer equipment/technology related accessories	\$ 2,903.07
<hr/> Instructional materials and supplies	
Library Media Center	9,728.18
Special Education	8,190.02
General Classroom	7,276.23
Music & Art	3,908.40
Math & Science	3,018.64
Learning Garden	2,279.67
Language Arts	1,864.62
Physical Education	727.18
<hr/> Other categories	
Office Depot supplies, (office and instructional)	17,291.23
Customized items for staff	
Shirts	4,038.10
Ponchos	902.51
Lanyards	652.26
Hats	90.28
Out-of-town learning	
Conference registration	2,520.00
Transportation	1,779.67
Food	399.72
ESI printing charges	2,661.47
Office supplies	2,331.36
Food	1,983.15
Furniture	1,041.77
Christmas decorations	894.58
Flowers/gift cards for staff	782.15
Postage & shredding	640.00
Dues and memberships	520.00
Local learning	411.65
Reimbursed by school-level funds	(1,320.11)
<hr/> Total expenditures analyzed	<hr/> \$ 77,515.80 <hr/>

Processing of Transactions

IA found that the above expenditures appeared to be properly processed with the following exceptions:

Inadequate Supporting Documentation

The cardholder did not obtain an itemized receipt/invoice for four purchases. After Internal Audit questioned these transactions, the Site Administrator was unable to obtain an itemized receipt or invoice for these transactions:

Vendor	Receipt Amount	Receipt Date
Katie's Restaurant	\$ 92.45	1/24/2023
Black Pelican	73.00	8/30/2022
Kempsville Florist	65.00	11/30/2022
Le Croissant	16.22	1/24/2023
	\$ 246.67	

Reasonableness of Expenditures

IA noted several travel expenditures related to out-of-town travel for a conference held in New Orleans that did not appear reasonable. See details below:

- Early flight check-in fees totaling \$175.00 for conference travel were purchased for seven staff members.
- For this same conference, IA noted that a hotel upgrade fee of \$48.00 was purchased for one staff member. The hotel charge posted in the next procurement card cycle; therefore, the associated expense is not included in the summary of expenditures analyzed.
 - The principal stated that the room reserved was not available, and the hotel charged more for the room that was available.

We would like to thank the staff and management of Glenwood Elementary School for their cooperation throughout this project.

cc: David B. French, Principal
Matthew D. Delaney, Chief Schools Officer

Daniel G. Hopkins, Director, Office of Business Services
Crystal M. Pate, Chief Financial Officer