



## MEMORANDUM

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

**FROM:** Ms. Karen W. Woodson, CIA, CFE<sup>KW</sup>  
School Board Internal Auditor, Department of Internal Audit

**SUBJECT:** **Follow-up School Activity Funds Audit**  
**College Park Elementary School**

**DATE:** January 12, 2025

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## BACKGROUND

As part of the 2024 Audit Work Plan, the Department of Internal Audit (IA) has performed the Follow-up School Activity Funds Audit for College Park Elementary School.

The principal has the responsibility for safeguarding, accounting and managing the school activity funds. The school activity funds are accounted for using the cash basis of accounting and are recorded by the bookkeeper in School Funds Online, the division's school-level accounting software. Examples of other discretionary income received by schools are payments made by parents, fundraisers and other miscellaneous sources. Expenditures include school activities such as clubs, fundraisers, etc.; payroll expenditures are not allowed to be paid from these funds. School activity account regulations provide administrative control over the income and disbursement of monies for school activities and provide an accurate record of all financial transactions of these activities and organizations.

## AUDIT OBJECTIVES, METHODOLOGY, RESULTS, AND CONCLUSIONS

Inquiry and examination of documents and data, interviews and site visits were the methods of reviewing internal controls. IA judgmentally selected transactions to ensure that a variety of vendors and deposits were analyzed throughout the audit period, and as a result, this sample cannot be extrapolated across the entire population. The audit period was July 1, 2024, through December 31, 2024. The audit objectives, methodology, results and conclusions are as follows:

1. Objective: Determine if cash balances were fairly stated for the audit period.  
Methodology:
  - IA traced the prior year's ending balance to this year's beginning balance;

## AUDIT OBJECTIVES, METHODOLOGY, RESULTS, AND CONCLUSIONS, CONTINUED

- IA reviewed the bank reconciliation, year-end investment statement, as applicable, and the original bank statements during the audit period for unusual transactions;
- IA reviewed transfers reducing cash and other material transfers for allowability;
- IA reviewed a sample of cash disbursements to determine if the amounts paid matched the invoice/receipt and were coded to the correct account;
- IA reviewed a sample of cash receipts to determine if the amount collected was deposited and coded correctly;
- IA reviewed unpaid invoices;
- IA counted change funds, as applicable;
- IA inspected the contents of the school's safe(s); and
- IA reviewed the general ledger to determine if there were any unusual transactions or accounts with inconsistent activity.

### Results:

- IA determined from analysis and transactional testwork that the account balances appeared reasonable.

Conclusion: IA concluded that the cash balances at the school level are fairly stated.

2. Objective: To assess compliance with applicable policies and procedures.

### Methodology:

- IA reviewed a sample of cash receipts to determine if the amounts were deposited timely;
- IA reviewed a sample of cash disbursements to determine if invoices were paid timely and if the check contained signatures for two authorized signatures;
- IA reviewed a sample of procurement card transactions to determine if the amounts paid were reasonable, were approved by the principal and contained an itemized receipt or invoice to support the purchase;
- IA reviewed applicable disbursements over \$10,000 to determine if they were paid from a contract and/or were approved by the Office of Procurement Services; and
- IA evaluated certain policies and procedures related to transfers, banking and account usage.

### Results:

- All cash receipts reviewed were deposited timely;
- All invoices reviewed were paid timely, and the checks contained two authorized signers;
- All of the procurement card transactions reviewed were reasonable, were approved by the principal and contained an itemized receipt or invoice to support the purchase;
- There were no disbursements above \$10,000; and

## AUDIT OBJECTIVES, METHODOLOGY, RESULTS, AND CONCLUSIONS, CONTINUED

- From items reviewed, IA noted no exceptions related to certain policies and procedures with transfers, banking and account usage.

Conclusion: IA concluded that the school is compliant with the applicable policies and procedures.

3. Objective: To determine if internal controls are adequate and functioning as intended.

Methodology:

- IA conducted internal control interviews with the principal and the bookkeeper regarding the system of internal controls; and
- IA identified key internal controls and performed sample testwork on these significant controls to determine if they were working as intended.

Results:

- The principal and bookkeeper provided internal control information consistent with division requirements; and
- The sample testwork indicated that the school's significant internal controls are working as intended.

Conclusion: IA concluded that the internal controls are adequate and functioning as intended.

## AUDITING STANDARDS

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the 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 a reasonable basis for our findings and conclusions based on our audit objectives.

The results for this audit were discussed with management. Audit results are based on School Board policies and regulations, accounting procedures, the *Business Manual for Schools* and proper internal controls. The Statement of Cash Receipts and Disbursements has been included in the Appendix to this report. We thank management and staff of the Department of School Leadership, College Park Elementary School and all others that were contacted for their cooperation throughout the audit.

cc: Mr. Matthew D. Delaney, Chief Schools Officer, Department of School Leadership  
Dr. Melanie J. Hamblin, Senior Executive Director of Elementary Schools  
Dr. Catrina C. Manigo, Principal

Ms. Crystal M. Pate, Chief Financial Officer, Department of Budget and Finance  
Mr. Daniel G. Hopkins, Director of Business Services

Attachment: Appendix

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**  
**For the Six-Month Period Ended December 31, 2024**  
**College Park Elementary School**

Account Group	Balance 7/1/2024	Cash Receipts	Cash Disbursements	Net Transfers	Balance 12/31/2024
Administrative Accounts	\$ 8,248	7,075	2,253	(4,200)	8,870
Club and Student Activity Accounts	1,893	401	4,015	4,200	2,479
Departmental Accounts	1,365	659	1,272	-	752
VBCPS Accounts	221	363	-	-	584
Class/Scholarship/Grant Accounts	(1,229)	29,867	31,204	-	(2,566)
Clearing Accounts	-	1,250	1,100	-	150
<b>Total</b>	<b>\$ 10,498</b>	<b>39,615</b>	<b>39,844</b>	<b>-</b>	<b>10,269</b>
Staff Concession/Vending	\$ 126	18	-	(100)	44
Bank Interest	32	7	-	-	39
Pictures	406	821	-	(456)	771
Staff Welfare	123	1,945	996	-	1,072
School Spirit Wear	2,062	-	-	-	2,062
Donations/Contributions	1,046	1,720	-	(1,500)	1,266
Office Depot Rebate	12	-	-	-	12
Staff Recognition	-	-	307	1,200	893
School-Wide Fundraisers	(476)	20	-	456	-
Indigent/Needy Students	-	-	213	300	87
Procurement Card Rebate	1,077	-	-	-	1,077
Bottled Drinks Vending	607	-	-	(100)	507
Book Fairs	3,133	2,544	737	(4,000)	940
PTA/PTSA	100	-	-	-	100
<b>Administrative Accounts</b>	<b>8,248</b>	<b>7,075</b>	<b>2,253</b>	<b>(4,200)</b>	<b>8,870</b>
Student Activities	854	-	3,747	4,200	1,307
SCA	223	401	268	-	356
Student Recognition	282	-	-	-	282
Coding Club	53	-	-	-	53
Girls on the Run	279	-	-	-	279
Kindness Club	40	-	-	-	40
Stem Club	62	-	-	-	62
Self Awareness Club	100	-	-	-	100
<b>Club and Student Activity Accounts</b>	<b>1,893</b>	<b>401</b>	<b>4,015</b>	<b>4,200</b>	<b>2,479</b>
Library	155	71	-	-	226
Music	180	-	-	-	180
Physical Education	9	-	-	-	9
Computer Supplies	40	-	-	-	40
Field Trips	981	588	1,272	-	297
<b>Departmental Accounts</b>	<b>1,365</b>	<b>659</b>	<b>1,272</b>	<b>-</b>	<b>752</b>
Technology	121	363	-	-	484
Textbooks - Lost	100	-	-	-	100
<b>VBCPS Accounts</b>	<b>221</b>	<b>363</b>	<b>-</b>	<b>-</b>	<b>584</b>
Title I Reimbursement	(1,229)	13,564	23,052	-	(10,717)
Virginia Beach Education Foundation Grants	-	11,303	3,805	-	7,498
Outside Organization Grants	-	5,000	4,347	-	653
<b>Class/Scholarship/Grant Accounts</b>	<b>(1,229)</b>	<b>29,867</b>	<b>31,204</b>	<b>-</b>	<b>(2,566)</b>
Change	-	50	50	-	-
United Way	-	1,050	1,050	-	-
Clearing	-	150	-	-	150
<b>Clearing Accounts</b>	<b>-</b>	<b>1,250</b>	<b>1,100</b>	<b>-</b>	<b>150</b>
<b>Total</b>	<b>\$ 10,498</b>	<b>39,615</b>	<b>39,844</b>	<b>-</b>	<b>10,269</b>

Appendix

Follow-up School Activity Funds Audit  
College Park Elementary School  
January 2025