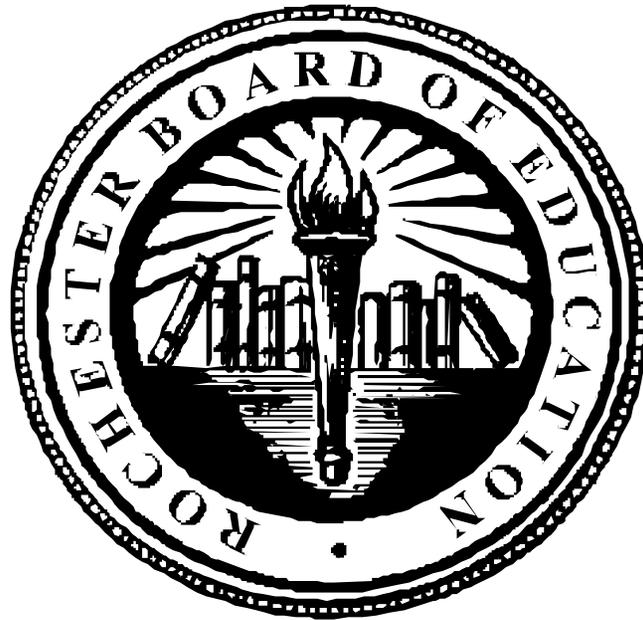


OFFICE OF AUDITOR GENERAL



Northeast College Prep P-Card/Other Cash Audit Report

July 2013



Northeast College Prep P-Card/Other Cash Executive Summary

OBJECTIVE

To determine whether the school is complying with the District Policy and Procedures and to determine if the proper controls are in place to manage other cash related activities which are not part of Student Activity Funds.

BACKGROUND

School-based cash operations consist of Student Activity Funds (SAF) and other cash related activities. The focus of this work is related to the other cash related activities. These activities consist of operations where cash or cash related items are exchanged and the activity is not typically an educational opportunity for the student. Such cash related activities include cafeteria, and Purchasing Card (P-Card) expenditures, Wegmans cards, inventory of items, bus passes, athletic gate receipts, concession sales, and other cash collection activities occurring within schools. It should be noted that the Athletic Director's P-Card expense report is approved by the Northwest College Prep Principal.

SCOPE

We evaluated the processes and controls in place over non-SAF cash and non-cash assets. We evaluated the school's compliance with District policies and procedures. Inventory, cash management and bookkeeping processes were evaluated to ensure existence of adequate internal controls.

CONCLUSION

Northeast College Prep controls over cash and cash activities require additional attention to consistently conform to District procedures and ensure visibility of cash transactions. Pre-numbered cash receipts were neither consistently utilized nor retained for review when cash was exchanged. Monies collected were not consistently stored in the Main Office safe or forwarded for deposit resulting in cash receipts and payments that were not recorded in the Districts ledgers. The sales tax exemption status was not consistently used for non-student activity fund purchases. Gate Receipt tickets were not adequately documented. Visiting team ticket sales were not recorded. Reconciliation of cash to sales, while performed, could not be substantiated because tickets were not sequentially numbered. Concession and Sweatshirt sales lacked cash controls from the inception through spending and reporting. Oversight was not sufficient to assure proper approvals, receipting, cash monitoring, cash storage, consistent pricing, proper payment, and reconciliation of goods. The senior breakfast was not adequately planned and administrative oversight did not assure conformance to disbursement procedures, including funds availability and payments. Payments were split and exceeded the terms of commitment without adequate documentation. P-Card transactions included; prohibited purchases, sales tax paid, lacked supporting documentation, and were not approved timely to mitigate improper usage.