



VIRGINIA BEACH CITY PUBLIC SCHOOLS

CHARTING THE COURSE

MEMORANDUM

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

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

SUBJECT: Follow-up School Activity Funds Audit
Green Run High School

DATE: February 2, 2026

BACKGROUND

As part of the 2026 Audit Work Plan, the Department of Internal Audit (IA) has performed the Follow-up School Activity Funds Audit for Green Run High School.

The principal has 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 money 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, 2025, through December 31, 2025. The audit objectives, methodology, results and conclusions are as follows:

1. Objective: Determine if cash balances were fairly stated.
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 all 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 disbursements to determine if the amounts paid were reasonable, were approved by the principal, contained an itemized receipt or invoice to support the purchase and two authorized signatures on checks, as applicable;
- IA reviewed applicable disbursements over \$10,000 to determine if they were paid from a contract and/or were approved by the Office of Business Services or Office of Procurement Services, as applicable; and
- IA evaluated certain policies and procedures related to transfers, banking and account usage and procedures for cash collection and disbursements.

Results:

- All cash receipts reviewed were deposited timely;
- All disbursements reviewed were reasonable, were approved by the principal, contained an itemized receipt or invoice to support the purchase and two signatures as applicable;
- There were no disbursements above \$10,000;
- From items reviewed, IA noted no exceptions related to certain policies and procedures with transfers, disbursements, banking and/or account usage; and
- IA noted one exception related to cash collections procedures.

AUDIT OBJECTIVES, METHODOLOGY, RESULTS AND CONCLUSIONS, CONTINUED

Conclusion: IA concluded that the school is compliant with substantially all 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, findings and suggestions for improvement for this audit were discussed with management. Audit results are based on The Code of Virginia, School Board policies and regulations, accounting procedures, the *Business Manual for Schools (Business Manual)* 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, Green Run High 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. Walter C. Brower, Senior Executive Director of High Schools
Ms. Tennille Bowser, Principal

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

Attachment: Appendix

AUDIT RESULTS AND MANAGEMENT'S RESPONSES

Finding No. 1: Coffee Shop Cash Receipting

The coffee shop sponsor was issued a \$100 change fund to be used for the school year. At the time of the audit the coffee shop change fund totaled \$139.50, which included \$39.50 from previous sales that had not been receipted. The *Business Manual*, Section 9.1 School Activity Account Receipts states, "All collections must be receipted in a pre-numbered receipt book or listed on a pre-numbered Internal Accounting Control Sheet, written promptly by an employee upon receipt of funds." The sponsor did not separate the \$100 change fund from sales in order to record the daily collections. When funds are receipted promptly and deposited daily, it reduces the risk of loss or theft.

Recommendations:

IA recommends that the principal and bookkeeper train staff to reconcile the change fund to sales each day and to receipt all daily collections.

Management's Response:

The Chief Schools Officer concurs. The principal and bookkeeper will train staff to reconcile the change fund to sales each day and to receipt all daily collections. This training will be completed by April 3, 2026.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Six-Month Period Ended December 31, 2025
Green Run High School

Account Group	Balance 7/1/2025	Cash Receipts	Cash Disbursements	Net Transfers	Balance 12/31/2025
Administrative Accounts	\$ 14,972	19,845	6,697	(6,893)	21,227
Virginia High School League Accounts	15,255	896	30	-	16,121
Club and Student Activity Accounts	38,862	13,088	20,631	1,952	33,271
Athletic Accounts	18,830	72,778	69,537	3,155	25,226
Departmental Accounts	19,319	27,349	30,648	1,786	17,806
VBCPS Accounts	979	5	186	-	798
School Board Allocation Accounts	-	500	-	-	500
Class/Scholarship/Grant Accounts	85,182	30,440	20,385	-	95,237
Clearing Accounts	(18)	355	400	-	(63)
Total	\$ 193,381	165,256	148,514	-	210,123
Student Concession/Vending	\$ 201	759	355	(227)	378
Bank Interest	69	62	-	-	131
Pictures	-	1,348	-	(171)	1,177
Sunshine - Staff Welfare	925	1,955	590	-	2,290
Supply Store	2,384	1,451	3,178	-	657
Office	-	-	452	452	-
Donations/Contributions	3,686	11,865	-	(4,140)	11,411
Office Depot Rebate	12	-	-	-	12
Staff Recognition	-	-	2,087	2,087	-
School-Wide Fundraisers	454	200	-	(200)	454
Parking	-	2,205	35	(1,100)	1,070
Building/Grounds Improvements	246	-	-	-	246
Procurement Card Rebate	5,388	-	-	(2,266)	3,122
Bottled Drinks Vending	1,607	-	-	(1,328)	279
Administrative Accounts	14,972	19,845	6,697	(6,893)	21,227
Debate	591	-	30	-	561
E Sports	380	-	-	-	380
Yearbook	14,284	896	-	-	15,180
Virginia High School League Accounts	15,255	896	30	-	16,121
Student Activities	-	3,180	2,943	(237)	-
SCA	9,047	6,869	5,454	(6)	10,456
Student Recognition	(179)	1,125	2,986	2,195	155
Band Club	2,961	-	1,122	-	1,839
Dance Team	2,933	430	2,343	-	1,020
FBLA	35	-	-	-	35
FCCLA	1,040	-	-	-	1,040
Game Club	174	-	-	-	174
Leadership Skills	1,401	-	-	-	1,401
NJHS/NHS	364	212	-	-	576
Orchestra Club	-	1,010	988	-	22
PBIS	610	-	319	-	291
Thespians/Theater Club	20,476	262	4,476	-	16,262
Club and Student Activity Accounts	38,862	13,088	20,631	1,952	33,271
Athletics Reimbursement	-	-	675	-	(675)
Officials Reimbursement	-	-	470	-	(470)
Baseball	1,153	988	1,387	500	1,254
Basketball	6,297	9,557	14,290	-	1,564
Field Hockey	1,737	1,239	380	-	2,596
Football	1,436	28,099	18,432	(500)	10,603
Golf	1,457	-	696	360	1,121
Gymnastics	887	-	-	-	887
Soccer	3,791	-	-	-	3,791
Softball	4,127	520	564	-	4,083
Tennis	202	-	(33)	-	235

Appendix

Follow-up School Activity Funds Audit
Green Run High School
February 2026

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS, CONTINUED
For the Six-Month Period Ended December 31, 2025
Green Run High School

Track	1,013	240	-	-	1,253
Volleyball	3,498	6,193	5,999	-	3,692
Wrestling	643	-	750	-	(107)
Swimming	664	-	1,524	-	(860)
Tournament Reimbursement	-	-	225	-	(225)
District Tournament Host	-	2,969	-	-	2,969
Regional 5A/6A Tournament Host	-	-	103	-	(103)
State Tournament Host	787	-	-	-	787
Cheerleaders	(11,341)	21,960	21,229	-	(10,610)
General Athletics	-	1,013	3,173	2,795	635
Lacrosse	1,119	-	(327)	-	1,446
Cross Country	1,235	-	-	-	1,235
Sports Camps	125	-	-	-	125
Athletic Accounts	18,830	72,778	69,537	3,155	25,226
Library	941	861	147	-	1,655
Art	78	-	-	-	78
Guidance	592	-	-	-	592
Language Arts	364	-	-	-	364
Math	320	-	-	-	320
Music	3	-	-	-	3
Physical Education	172	-	-	-	172
Science	-	-	83	83	-
Social Studies	60	-	-	-	60
Special Education	5,870	19,304	20,708	(2,765)	1,701
Chorus	1,555	75	192	-	1,438
Technical Education	1,702	1,554	1,011	-	2,245
AVID	115	-	-	-	115
Foreign Language	769	-	224	-	545
Family and Consumer Science	458	2,793	2,803	697	1,145
Computer Supplies	2	-	-	-	2
Field Trips	3,750	1,395	4,966	3,271	3,450
College Board Tests	736	-	514	500	722
NJROTC	1,832	1,367	-	-	3,199
Departmental Accounts	19,319	27,349	30,648	1,786	17,806
Calc/Heart Mon - Lost/Damaged	333	-	98	-	235
Technology	346	5	88	-	263
Textbooks - Lost	300	-	-	-	300
VBCPS Accounts	979	5	186	-	798
Opportunity and Achievement	-	500	-	-	500
School Board Allocation Accounts	-	500	-	-	500
Senior Class	1,391	30,432	8,533	553	23,843
Junior Class	-	8	(45)	447	500
Sophomore Class	-	-	-	500	500
Freshman Class	-	-	50	1,000	950
Alumni	10,114	-	5,000	(2,500)	2,614
Outside Organizations Grant	1,605	-	-	-	1,605
NJROTC Federal Program	65,613	-	847	-	64,766
Indiv/Memorial Scholarships	6,459	-	6,000	-	459
Class/Scholarship/Grant Accounts	85,182	30,440	20,385	-	95,237
Change	-	-	400	-	(400)
Clearing	(18)	847	-	-	829
Restitution	-	108	-	-	108
NSF/Returned Checks	-	(600)	-	-	(600)
Clearing Accounts	(18)	355	400	-	(63)
Total	\$ 193,381	165,256	148,514	-	210,123

Appendix

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