

Internal Audit Report



Management of School Activity Funds

Abita Middle School

August 31, 2026

Office of Internal Audit

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Summary

In accordance with the Internal Audit Plan, an audit was conducted of Abita Middle School on School Activity Funds (Deposits and Disbursements) from July 1, 2025 – June 30, 2026. Based on the audit scope and the tests performed, weaknesses were discovered that prevents reasonable assurance that controls are operating effectively or the compliance with stated policies of the St. Tammany Parish School Board.

Our audit noted weaknesses over the following:

- Compliance with MUNIS Documentation Requirements for Deposits
- Internal Controls over Fundraising
- Internal Controls over Fund Collection
- Internal Controls over Safe Access
- Internal Controls over Timely Deposits

Background

This audit was initiated due to the change in administration with a new principal and new bookkeeper. The last audit of this site was conducted in March 2024. Abita Springs Middle School (AMS) is located in Abita Springs, Louisiana and provides services to approximately 435 fourth through sixth grade students. The St. Tammany Parish School Board (STPSB) employs individuals to work at AMS. The management structure of AMS includes a Principal and one Assistant Principal with the bookkeeper reporting to the Principal. Public schools in Louisiana are supported primarily by state funding and local taxes. In addition to this funding, individual schools generate revenues from other sources such as fundraisers and other school activities. These revenues, known as School Activity Funds, supplement the instructional program, contribute to the educational experiences of the students and benefit the general welfare of the school. The management of the School Activity Funds is decentralized with oversight at the level of the Principal. The financial policies and procedures governing the management of the School Activity Funds that have been developed by STPSB are updated annually and promulgated to all key school personnel.

Audit Scope and Objectives

The audit was conducted to assess the effectiveness of internal controls and compliance with school board policies found in the STPSB School Finance Handbook (Administrative Guidelines/Best Practices for School Activity Funds Accounting). The objectives of the audit were to obtain and document an understanding of the internal

controls and compliance with School Board policies sufficient to support a low assessed level of control risk over school activity funds.

Audit Methodology

The audit was planned to obtain sufficient, relevant and reliable evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. Internal audit believes the evidence obtained provides a reasonable basis for the findings and conclusions.

An understanding of significant internal controls within the audit objective and assessment of whether those controls were properly designed and operational was obtained. To assess the effectiveness of controls, the STPSB policies and procedures were relied on.

Audit methodology included reviewing a random sample of financial records of AMS and interviewing the school bookkeeper. Documents that were reviewed during testing included supporting documentation for a combined eleven deposit and disbursement transactions. This documentation included but was not limited to invoices, receipts, bank records, purchase authorization forms, bank reconciliations, and bank statements.

Transaction total amounts tested for the period 7/1/2025 to 6/30/2026 were as follows:

- \$ 5,895 in receipts (58% of deposit population total)
- \$ 5,862 in disbursements (64% of disbursement population total)

Observations, Recommendations & Responses

Internal Audit tested and documented the details of the findings and recommendations to strengthen internal controls and compliance with the School Board's policies and procedures over School Activity Funds.

Deposits Observations

1. Compliance with MUNIS documentation requirements for deposits

Three deposits tested (dated 9/30/25, 2/9/26 and 2/13/26) did not have copies of the checks deposited attached in MUNIS. The STPSB policy requires that scanned copies of checks being deposited (or photocopies) should be kept as file copies and attached to the deposit transaction in MUNIS. A copy of the completed deposit slips were not attached in MUNIS but were available.

Recommendation:

The bookkeeper should check the scanned documents in MUNIS to ensure that all check copies are included. In addition, the completed deposit slip should be attached in MUNIS.

Management Response/Action Plan:

To address this finding, the bookkeeper has reviewed the deposit procedures and will implement a verification process to ensure that all deposit transactions include scanned copies of checks and completed deposit slips prior to final submission. A deposit documentation checklist will be utilized to confirm that all required supporting documents are attached in MUNIS. In addition, periodic self-audits of deposit records will be conducted to verify ongoing compliance with district requirements.

Corrective Action:

- *Attach scanned copies of all deposited checks to the corresponding deposit transaction in MUNIS.*
- *Attach completed deposit slips to all deposit transactions in MUNIS.*
- *Implement a deposit documentation checklist to verify completeness before finalizing deposits.*
- *Conduct monthly reviews of randomly selected deposits to ensure compliance with STPSB procedures.*

Responsible Person: School Bookkeeper

Implementation Date: Immediate

Expected Completion Date: Ongoing compliance beginning immediately and monitored throughout the school year.

2. Internal Control over Fundraising

Fundraiser approval and reconciliation forms were not completed for the Student Council Fundraiser. Per STPSB policy, a copy of the preapproved Fundraiser Approval Form must be kept on file for auditing purposes; a fundraiser reconciliation form also should be completed.

Recommendation:

A file should be kept for all fundraiser forms with electronic approvals attached. Fundraiser reconciliations should be completed for all fundraisers and attached to the approval forms once completed.

Management Response/Action Plan:

To ensure compliance moving forward, the school will establish and maintain a centralized fundraising file for all fundraising activities. The file will include the Fundraiser Approval Form, electronic approval documentation, supporting records,

and the completed Fundraiser Reconciliation Form. The principal and bookkeeper will review fundraising documentation at the conclusion of each fundraiser to ensure all required forms have been completed, signed, and properly filed.

Corrective Action:

- *Maintain a dedicated file for each fundraiser containing all required documentation.*
- *Retain copies of electronically approved Fundraiser Approval Forms with supporting records.*
- *Complete and attach a Fundraiser Reconciliation Form for every fundraiser upon completion.*
- *Implement a fundraising checklist to ensure all required forms are obtained and filed before closing a fundraiser.*
- *Conduct periodic reviews of fundraising files to verify compliance with district procedures.*

Responsible Persons: *Principal and School Bookkeeper*

Implementation Date: *Immediate*

Expected Completion Date: *Ongoing compliance beginning immediately and monitored throughout the school year.*

3. Internal Control over Fund Collection

Money collection forms were not completed with the names of students that funds were collected from. Per STPSB policy regarding collection of funds, the receiver will list all names and amounts on the two-part School Money Collection Form.

Recommendation

Complete the money collection form with the names of students that funds are collected from. A class roster can be attached to the money collection form with students highlighted and amounts collected indicated to expedite completing the form. The use of MyPaymentsPlus is highly recommended, including for fundraising purposes to alleviate the administrative burden for teachers collecting funds.

Management Response/Action Plan:

To address this finding, all staff members responsible for collecting funds will be reminded of the district's procedures for completing School Money Collection Forms. Effective immediately, teachers and sponsors will document the names of students and amounts collected on the two-part School Money Collection Form or attach a class roster identifying participating students and the amounts collected. The school will also continue to encourage the use of MyPaymentsPlus whenever possible to reduce the handling of cash and checks and improve collection accountability.

Corrective Action:

- *Require all teachers and sponsors collecting funds to complete School Money Collection Forms with student names and amounts collected.*
- *Allow class rosters with students identified and amounts indicated to be attached to the collection form, when appropriate.*
- *Provide staff reminders and training regarding district fund collection procedures.*
- *Increase the use of MyPaymentsPlus for school fees, events, and fundraising activities whenever feasible.*
- *Periodically review collection documentation to ensure compliance with STPSB policies and procedures.*

Responsible Persons: *Principal, School Bookkeeper, and Teachers/Sponsors Collecting Funds*

Implementation Date: *Immediate*

Expected Completion Date: *Ongoing compliance beginning immediately and monitored throughout the school year.*

Disbursements Observations

No exceptions noted.

Other Observations**1. Internal Control over Safe Access**

AMS has recently had a change in personnel (new principal). Per STPSB policy, the safe combination should be changed whenever there is a change in personnel.

Recommendation:

Change the combination of the safe when someone who has the combination retires, transfers, resigns or otherwise leaves the school site.

Management Response/Action Plan:

To strengthen security and safeguard school funds and assets, the school will ensure that safe combinations are changed whenever an employee with access retires, transfers, resigns, or otherwise leaves the site.

Corrective Action:

- *Change the safe combination immediately whenever an individual with knowledge of the combination leaves the school.*

2. Internal Control over Timely Deposits

Funds had been collected “late on Friday” that were not deposited, when the audit interview was conducted the following Monday morning. Per STPSB, all funds must be deposited on the last day of the week, and before a holiday. Additionally, the funds were in a desk in a locked office over the weekend, instead of the safe, because the safe is placed where it is difficult to access.

Recommendation

All funds must be deposited in accordance with STPSB policy. Night deposits can be used when funds are received after hours and can be made by any employee. Funds should never be kept anywhere but the safe. The safe should be placed so that it is accessible to facilitate its usage.

Management Response/Action Plan:

To address this finding, all staff responsible for handling funds will be reminded of the district's requirements regarding timely deposits and secure storage. Effective immediately, all funds collected at the end of the week or prior to holidays will be deposited on the last business day whenever possible. When collections occur after banking hours, night deposit services will be utilized. Additionally, all funds awaiting deposit will be stored in the school safe, and adjustments will be made to ensure the safe is readily accessible to authorized personnel.

Corrective Action:

- *Deposit all collected funds in accordance with STPSB policy, including deposits on the last day of the week and before holidays.*
- *Utilize bank night deposit services when funds are received after normal banking hours.*

Distribution List

Frank Jabbia, Superintendent
Terri Prevost, Chief Financial Officer
Chantelle Petrovich, Abita Middle School Principal