

Internal Audit Report



Management of School Activity Funds Fifth Ward Junior High 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 Fifth Ward Junior High 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 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 Fund Collection
- Compliance with Business Meal Policy
- Compliance with Payments to Non-Employee Policy
- Internal Controls over Safe Access

Background

This audit was initiated due to the change in administration with a new principal. The last audit of this site was conducted in September 2023. Fifth Ward Junior High (FWJH) School is located in Bush, Louisiana and provides services to approximately 445 Pre-Kindergarten through eighth grade students. The St. Tammany Parish School Board (STPSB) employs individuals to work at FWJH. The management structure of FWJH includes a Principal and two Assistant Principals 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 observations and conclusions based on the audit objectives. Internal audit believes the evidence obtained provides a reasonable basis for these 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 FWJH and interviewing the school bookkeeper. Documents that were reviewed during testing included supporting documentation for a combined fifteen 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:

- \$ 11,090 in receipts (25% of deposit population total)
- \$ 10,740 in disbursements (22% of disbursement population total)

Observations, Recommendations & Responses

Internal Audit tested and documented the details of the observations 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

Two deposits tested (dated 11/10/25 and 5/15/26) did not have copies of all of the checks deposited attached in MUNIS. A photocopy was available for the missing check on one deposit. The other deposit was missing copies of four checks (no photocopies available). 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.

Recommendation:

The bookkeeper should check the scanned documents in MUNIS to ensure that all check copies are included.

Management Response/Action Plan:

We will follow the recommendation, and our bookkeeper will verify that all check copies are included.

2. Internal Controls over Fund Collections

One deposit (dated 11/10/25) included checks dated from October 3, 2025 through November 7, 2025. The STPSB policy requires that each individual, teacher or sponsor collecting school funds should complete a two-part School Money Collection Form (on Moodle) for all funds received and deliver the funds to the secretary/bookkeeper daily.

Recommendation:

The STPSB Fund Collection policy should be reviewed with all teachers/activity sponsors.

Management Response/Action Plan:

The STPSB Fund Collection Policy was reviewed with teachers at the back-to-school PD.

Disbursements Observations**1. Compliance with Business Meals policy**

One disbursement for business meals (dated 5/19/26) had a sign-in sheet that did not include everyone a meal had been purchased for. The STPSB Business Meals policy requires that all meals must have a business purpose and supporting documentation must include a sign-in sheet or listing of who was fed and an agenda or document stating the business purpose.

Recommendation:

Administrator in charge of the meeting should ensure that all participants have signed-in or otherwise provide a listing of participants.

Management Response/Action Plan:

In the future, we need to confirm that the number of meals ordered matches the number of signatures on the sign-in sheet to ensure that everyone a meal was purchased for receives the meal.

2. Compliance with Payments to Non-Employees Policy

One disbursement tested (dated 2/9/26) was made to a baseball game official without going through Arbiter Pay. Per the STPSB policy Arbiter Pay has been purchased by the School Board for Junior Highs and High Schools. Arbiter Pay is required to be used to pay game officials for those schools. Volleyball and wrestling officials are an exception to this rule.

Recommendation:

Advise the person in charge of securing game officials that there are to be no exceptions in using Arbiter Pay, excluding volleyball and wrestling.

Management Response/Action Plan:

All officials will be paid through Arbiter Pay.

Other Observations

1. Internal Control over Safe Access

FWJH 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:

We will change the combination.

Distribution List

Frank Jabbia, Superintendent
Terri Prevost, Chief Financial Officer
Rebecca Hammond, Fifth Ward Jr. High School Principal