

Internal Audit Report



Management of School Activity Funds

Bayou Lacombe Middle School

September 11, 2026

Office of Internal Audit

Deborah Wickham, CPA

Summary

In accordance with the Internal Audit Plan, an audit was conducted on Bayou Lacombe Middle School of School Activity Funds (Deposits and Disbursements) from July 1, 2025 – June 30, 2026. Based on the audit scope and the tests performed, except for the one weakness listed below, we can provide reasonable assurance that controls are operating effectively and in compliance with stated policies of the St. Tammany Parish School Board.

Our audit noted a weakness over the following:

- 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 October of 2024. Bayou Lacombe Middle (BLM) School is located in Lacombe, Louisiana and provides services to approximately 209 fourth through sixth grade students. The St. Tammany Parish School Board (STPSB) employs individuals to work at BLM. The management structure of BLM 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 additional revenues from other sources such as fundraisers and other school activities. These revenues, known as Student Activity Funds, supplement the instructional program and contribute to the educational experiences of the students and benefit the general welfare of the school. The management of the Student Activity Funds is decentralized with oversight at the level of the Principal. Financial policies and procedures governing the management of the Student Activity Funds have been developed by STPSB and 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 student activity funds.

Audit Methodology

The audit was planned to obtain sufficient, relevant, 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 BLM and interviewing the school bookkeeper. Documents that were reviewed during testing included supporting documentation for a combined ten receipt 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 through 6/30/2026 were as follows:

- \$ 1,918 in receipts (39% of deposit population total)
- \$ 6,307 in disbursements (71% of disbursement population total)

Findings & Recommendations

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 Student Activity Funds.

Deposits Observations

No exceptions.

Disbursements Observations

No exceptions.

Other Observations

1. Internal Control over Safe Access

BLM 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, or otherwise leaves the school site.

Management Response/Action Plan:

I will have the bookkeeper to locate the safe's manual to reconfigure the combination by 9/18/2026.

Distribution List

Frank Jabbia, Superintendent
Terri Prevost, Chief Financial Officer
Dr. Zaheerah Clark, School Principal