

Internal Audit Report



Management of School Activity Funds and Policy Compliance at Lakeshore High School

October 9, 2026

Office of Internal Audit

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Summary

In accordance with the Internal Audit Plan, an audit was conducted on Lakeshore High School of School Activity Funds (Deposits and Disbursements) from July 1, 2025 – June 30, 2026, and for compliance with STPSB policies. Based on the audit scope and the tests performed, Internal Audit cannot provide reasonable assurance that controls are operating effectively in conjunction with the stated procedures of the St. Tammany Parish School Board.

The audit noted weaknesses over the following:

- Internal Controls over Fund Collections
 - Incomplete Money Collection Form
 - Funds Held by Staff (repeat finding for the third consecutive audit)
- Internal Controls over Banking Policy
 - Incorrect Supporting Documentation
 - Deposit Not Made Timely (repeat finding for the third consecutive audit)
- Internal Controls over Contract Policy (unauthorized acceptance)
- Internal Control over Expenditures
 - Invoice Predated Request (repeat finding for the third consecutive audit)
- Internal Controls over Online Disney Contract Policy
- Internal Controls over Safe Access
- Internal Control over Ticket Sale Policy
- Internal Control over Change Fund

Background

This audit was initiated due to the change in personnel with a new bookkeeper. The last audit of this site was conducted in March 2025. Lakeshore High School (LHS) is located in Mandeville, Louisiana and provides services to approximately 835 ninth through twelfth grade students. The St. Tammany Parish School Board (STPSB) employs individuals to work at LHS. The management structure of LHS 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 additional revenues from other sources such as fundraisers and other school activities. These revenues, known as Student 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 Student Activity Funds is decentralized with oversight at the level of the Principal. The financial policies and procedures governing the management of the Student Activity Funds that have been developed by STPSB are updated annually and are 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) and STPSB policies found online. 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.

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 LHS, and interviewing the school personnel. Documents that were reviewed during testing included supporting documentation for a combined thirty-two deposit and disbursement transactions. This documentation included but was not limited to invoices, receipts, bank records, contracts, and purchase authorization forms.

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

- \$ 60,378 in receipts (34% of deposit population total)
- \$ 59,455 in disbursements (23% of disbursement population total)

Findings, 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 Student Activity Funds.

Deposits Observations

1. Internal Controls over Fund Collections

- a) One deposit tested (12/5/25) had a money collection form that was not completed with the names of students that funds were collected from for \$890 in cash. Per STPSB policy regarding collection of funds, the receiver will list all names and amounts on the School Money Collection Form.
- b) Two deposits tested (12/5/25 and 4/29/26) included checks dated up to two weeks prior to submitting to the bookkeeper for deposit. The 12/5/25 deposit (referenced in 1.a above) included \$890 in cash. This is the third consecutive audit with this finding. The STPSB policy requires that each individual, teacher or sponsor collecting school funds should complete a School Money Collection Form (on Moodle) for all funds received and deliver the funds to the bookkeeper daily.

Recommendations:

- a) The STPSB Fund Collection policy should be reviewed with all teachers/activity sponsors to ensure money collection forms are completed with the names of students that funds are collected from. The use of MyPaymentsPlus is highly recommended, including for fundraising purposes, to alleviate the administrative burden for teachers collecting funds.

- b) The STPSB Fund Collection policy should be reviewed with all teachers/activity sponsors to ensure funds collected are submitted to the bookkeeper daily.

Management Response/Action Plan:

An email will be sent and a review will be given at the Oct Faculty Meeting, to all teachers/sponsors/coaches to review proper protocol for depositing cash with the Bookkeeper. The Bookkeeper will also correct non-compliance when they attempt to make a deposit.

2. Internal Controls over Banking Policy

- a) For one deposit tested (10/8/25), the supporting documentation (Money Collection Form) did not agree to the activity funds recorded in MUNIS. The supporting documentation should agree to the cash journal entered in MUNIS.
- b) For one deposit tested, (2/4/26), the Money Collection Form reflected \$2,625 in funds collected on 2/3/26 that were not deposited until the following day. This is the third consecutive audit with this finding. Per STPSB policy, receipts should be deposited intact daily. If the total amount collected is less than \$1,000, the funds can be secured in the school safe until the total reaches \$1,000, or the last day before a holiday or weekend.

Recommendations:

- a) Going forward, the new bookkeeper should review supporting documentation to ensure that it agrees to what is entered in MUNIS.
- b) Going forward, the new bookkeeper should make deposits timely, i.e., as soon as the total reaches \$1,000, or the last day of the week or last day before a holiday. Night deposits can always be made after hours, if necessary.

Management Response/Action Plan:

The Principal will review with the Bookkeeper to ensure that supporting documentation agrees with MUNIS information. The Principal will review the policy with the Bookkeeper to ensure deposits are made following the guidelines.

3. Internal Controls over Contract Policy

One deposit (5/11/26) for \$25,000 from Coca-Cola was not reported as a donation and upon questioning, was informed that it is related to a new scoreboard. The athletic director confirmed there is a contract with Coca-Cola; however, no such contract has been received by the Chief Financial

Officer. The contract was not made available at the time of the audit. Per STPSB policy, as a result of Act 370, the only person who can sign a contract obligating the school is the Superintendent.

Recommendation:

Forward all contracts to Central Office for approval.

Management Response/Action Plan:

The Coca-Cola Contract will be sent to Mrs. Prevost on 9/28/26. The Principal will follow the contract protocols.

Disbursements Observations

1. Internal Control over Expenditures

Pre-approval for one item tested (check number 41861) was completed after the invoice date. All of the dates typed in on the purchase request agreed to the invoice date; however, the requestor signed the form digitally which reflected the day following the invoice date. This is the third consecutive audit with this finding. Per STPSB policy, all expenditures require the prior written approval of the Principal with “an amount not to exceed” provided on the Purchase Request Form.

Recommendation:

Review with faculty members making purchases to have the pre-approval completed before placing their orders. Actual dates of signatures need to be used. Ensure that purchase approval requests are completed prior to withdrawal requests. This provides the opportunity to confirm that related account funds are available to cover the expenditure, that the person requesting the expenditure is authorized to do so, and that the disbursement is in accordance with Louisiana R.S. 17:414.3(B)(3).

Management Response/Action Plan:

An email will be sent and a review will be given at the Oct Faculty Meeting, to all teachers/sponsors/coaches to review proper protocol for Purchase Requests.

2. Internal Controls over Contract Policy

There was no evidence that the Disney Online agreement for the LHS Senior Trip was forwarded to the CFO for review. Per STPSB policy, as a result of Act 370, the only person who can sign a contract obligating the school is the Superintendent. Yearbooks, school planners, photographers and Disney online contracts are an exception to this rule and may be signed by the

Principal only; however, it is imperative that the copies of these contracts signed by the vendor and Principal be sent to the CFO.

Recommendation:

Forward all agreements, including those allowed to be signed by the principal, to the CFO.

Management Response/Action Plan:

The Principal did not sign a contract with Disney. The school does not go through Travel Agency. The Principal verified with the Senior Sponsor that there was no contract with Disney that they signed either. To the Principal's knowledge, the school followed proper protocol to purchase the tickets for Senior Trip for Disney & Universal Studios. All of the paperwork for Disney & Universal ticket purchasing is attached and to the Principal's knowledge, none of this information is a contract. If this is incorrect, please let the Principal know so corrections can be made.

Auditor Response: Online purchase agreements with "Terms and Conditions" are legally binding contracts and must be forwarded to the CFO for review.

Other Observations

1. Internal Control over Safe Access

LHS has recently had a change in personnel (new bookkeeper). 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:

The combination on the safe has been changed.

2. Internal Control over Ticket Sale Policy

A \$200 change fund was in the safe to facilitate football game ticket sales to students. Upon questioning, the bookkeeper said that tickets are only sold during school hours, not at the gate. A total of \$10,970 was deposited through GoFan for the 9/4/26 home game. Per STPSB policy, GoFan is required to be used for all school athletic event ticket sales. There are no exceptions to the policy for students.

Recommendation:

All athletic ticket sales need to be purchased through GoFan.

Management Response/Action Plan:

Lakeshore wants to offer ONLY students the opportunity to purchase tickets at a discounted rate of \$5. We do not want students purchasing tickets for family members or non-students. Purchasing on campus allows staff to ensure the student is only purchasing one ticket. We will ensure that no change fund for those ticket sales are kept in the safe. The Bookkeeper completes the Ticket Reconciliation form once ticket sales are complete. These student ticket sales are only conducted for Home Football games, during both lunches the day before and the day of Home Football games. This also allows students who do not have credit/debit cards to purchase tickets. The Principal will seek permission from Mr. Alfonso to continue to sell Home Football Game student tickets.

Auditor Response:

Until such time there is a change to the policy by the administration, all ticket sales are only to be done through GoFan.

3. Internal Control over Change Fund

The cash for the change fund was held in the safe over the weekend (site visit date was Monday, 9/21/26). Per STPSB policy, receipts should be deposited intact daily... or the last day before a holiday or weekend. There are no exceptions for any funds to be held as a change fund over weekends or holidays.

Recommendation:

All funds must be deposited in accordance with STPSB policy. (It was noted that the change fund in the safe was withdrawn on 9/2/26, and was deposited on 9/22/26.)

Management Response/Action Plan:

The Principal reviewed the policy with the Bookkeeper regarding deposits and cash in the safe.

Distribution List

Steve Alfonso, Interim Superintendent

Terri Prevost, Chief Financial Officer

April Jarrell, Principal