Internal Audit Report

Management of School Activity Funds

Florida Avenue Elementary School

October 26, 2026

Office of Internal Audit

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Summary

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

Our audit noted weaknesses over the following:

- Internal Controls over Fund Collection
- Internal Controls over Fundraising
- Internal Control over Donation Policy

Background

This audit was initiated due to the change in administration with a new principal. The last audit of this site was conducted in April of 2024. Florida Avenue Elementary (FAE) School is located in Slidell, Louisiana and provides services to approximately 444 Pre-K through sixth grade students. The St. Tammany Parish School Board (STPSB) employs individuals to work at FAE. The management structure of FAE includes a Principal and two Assistant Principals (one Assistant Principal is parish-wide) 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 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 FAE, and interviewing the school bookkeeper. Documents that were reviewed during testing included supporting documentation for a combined thirteen deposit and disbursement transactions. This documentation included but was not limited to invoices, receipts, bank records, and purchase authorization forms.

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

- $12,839 in deposits (32% of deposit population total)
- $6,511 in disbursements (71% 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 Student Activity Funds.

<u>Deposits Observations</u>

1. 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. The use of MyPaymentsPlus is highly recommended, including for fundraising purposes to alleviate the administrative burden for teachers collecting funds.

Management Response:

**Continue to work toward utilizing MPP for ALL incoming funds.*

**When MPP is not utilized, the bookkeeper will ensure that the money collection form with the names of the students that funds are collected from are included.*

2. Internal Control over Fundraising

Fundraiser reconciliation forms were not completed. Per STPSB policy, a fundraiser reconciliation form should be used during and after fundraising events. Once completed they should be printed and retained with any other documentation for the fundraiser.

Recommendation:

Fundraiser reconciliations should be completed for all fundraisers and attached to the copies of the electronic approvals once completed. (Note: New for FY27, fundraiser reconciliations are required to be sent to Carolyn Halvorsen, School Accountant in Central Office.

Management Response:

**During and after fundraising, the fundraiser sponsor will report to the bookkeeper the daily collection of funds to be deposited, and the form will be completed.*

3. Internal Control over Donation Policy

A donation from Ochsner Health System was not sent to the CFO. Per STPSB policy, every donation requires a Donation Acknowledgement form to be completed and sent to the CFO. The Superintendent's signature will be obtained, and a copy will be returned to the school.

Recommendation:

The bookkeeper should follow-up on all donations to ensure forms have been completed and subsequently attached to the deposit information in MUNIS.

Management Response:

**Principal and bookkeeper will make sure all proper donations forms are completed. Bookkeeper will make sure to attach donation forms to the deposit information in MUNIS.*

Disbursements Observations

No exceptions noted.

Distribution List

Steve Alfonso, Assistant Superintendent
Terri Prevost, Chief Financial Officer
Rachel Moreno, Principal