Internal Accounts

Audit/Training/Compliance

Agenda:

- Most Common Comments & Solutions
- Internal Accounts Procedures
- Remote Deposit -Seacoast
- Questions

Most common audit comments

Cash Collections

Finding

- Cash Collections (Untimeliness of Student Receipts) 18 Schools
- Cash collected by teachers & sponsors not being remitted to the bookkeeper in a timely manner.

Rule

- Collections must be turned in no later than the next business day.
- Funds should not be left in the classrooms overnight.

Deposits

Finding

- Untimeliness of Deposits. 2 Schools

Rule

- All monies collected must be deposited intact into the bank as frequently as feasible as dictated by sound business practices.
- In any event, funds collected must be deposited within five (5) business days after initial collection of funds.
  - Deposits must be made before weekends and/or Holidays.

Report of Monies Collected

Finding

- Report of Monies Collected Form Missing. 1 School

Rule

- At a minimum, this form must include:
  - the beginning and ending receipt numbers
  - total cash amount
  - detail of individual checks. (Check #)
- Teacher/Sponsor must take the money and form in person to the bookkeeper no later than the next business day after the money was collected.
- The Report of Monies Collected form protects both the teacher and the bookkeeper.

Student Receipts

<u>Finding</u>

- Student Receipts not issued or not available.

3 schools

<u>Rule</u>

- Teacher/Sponsor must fill out and give the individual their copy of the cash receipt (*white copy*) from the District issued cash receipt/collections book immediately upon receipt of the money.
- Individual receipts are required anytime the individual collection is greater than $5.00.

Check Request/Cash Disbursement

Finding

- Cash disbursements not supported by a check requisition forms indicating approval prior to purchase. 2 Schools
- Check requisition forms only contained one signature.

Rule

- All purchases must be officially approved in advance, before any commitment is made.
- The principal is the only authority to approve purchases.
- All Requisitions and Checks must have two authorized **signatures.**

Principals Report and Bank Reconciliation

<u>Finding</u>

- Principals Reports and Bank Reconciliations not completed & authorized timely.   11 Schools

<u>Rule</u>

- Principal's Reports and bank reconciliations are to be completed and submitted by the 20th of the following month.

Fundraising Forms

Finding

- Fundraiser Financial Forms not completed for all fundraising activities.   11 Schools

Rule

- All fundraising activities must be for a specific purpose & authorized in advance.
- A financial report must be filed after each fundraising activity.

Sales Tax

Finding

- Sales tax was not always paid when items were purchased for resale.   9 Schools

Rule

- All items purchased for resale are subject to sales tax.
  - Example: purchases of concessions, <u>must</u> pay sales tax at the time of purchase.
  - If you are making a profit on the item, then tax must be paid.
  - If the item will <u>not</u> remain as school property or represent a school club or sport, tax must be paid at the time of purchase.

Stale Dated Checks

Finding

- Cash disbursements not supported by a check requisition forms indicating approval prior to purchase. 2 Schools

Rule

- Checks older than 6 months should be written off and stale dated check information retained for inclusion in the District unclaimed property report.

Journal Entries

<u>Finding</u>

- Journal entries were not approved. 2 schools

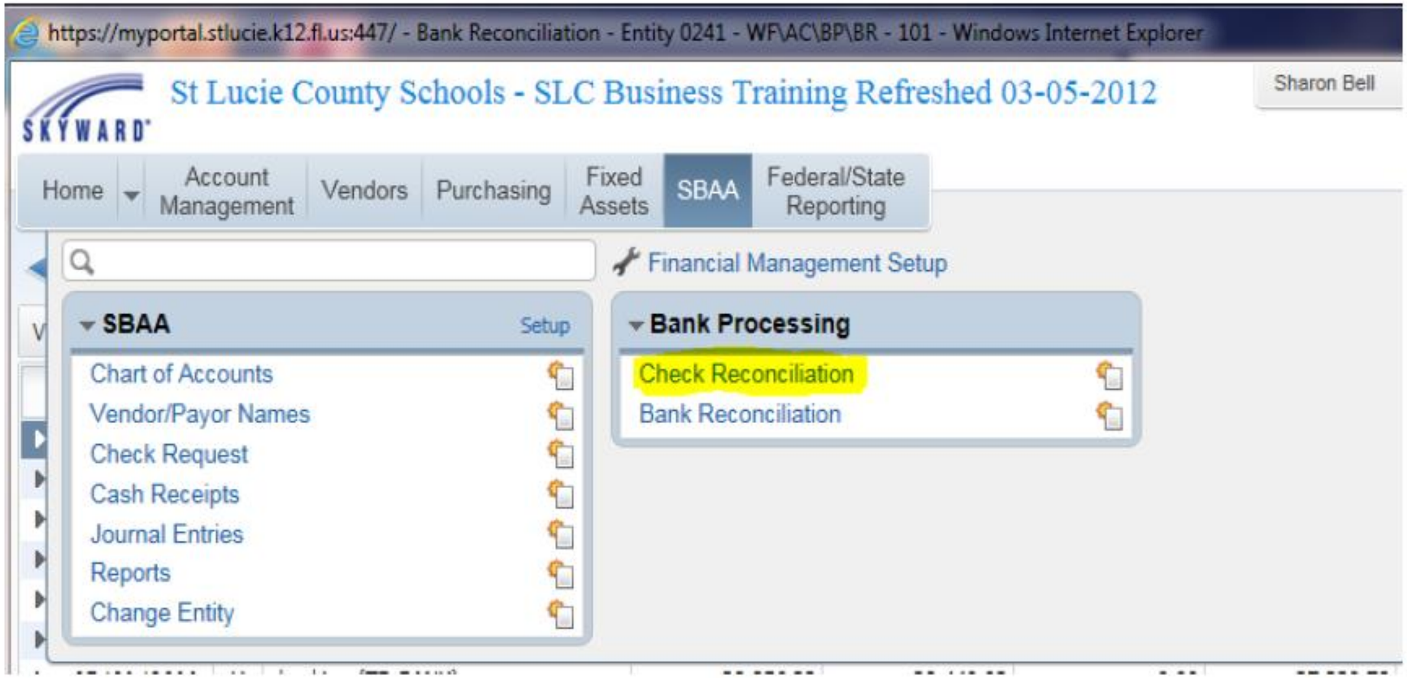
<u>Rule</u>

- Principal/Director must approve all transfers / journal entries for internal accounts by reviewing, signing and dating the journal printout from Skyward.

Audit Findings Questions/Comments

Bank Reconciliation Steps

1. Obtain the bank statement. On Skyward, select ***SBAA, Check Reconciliation***.

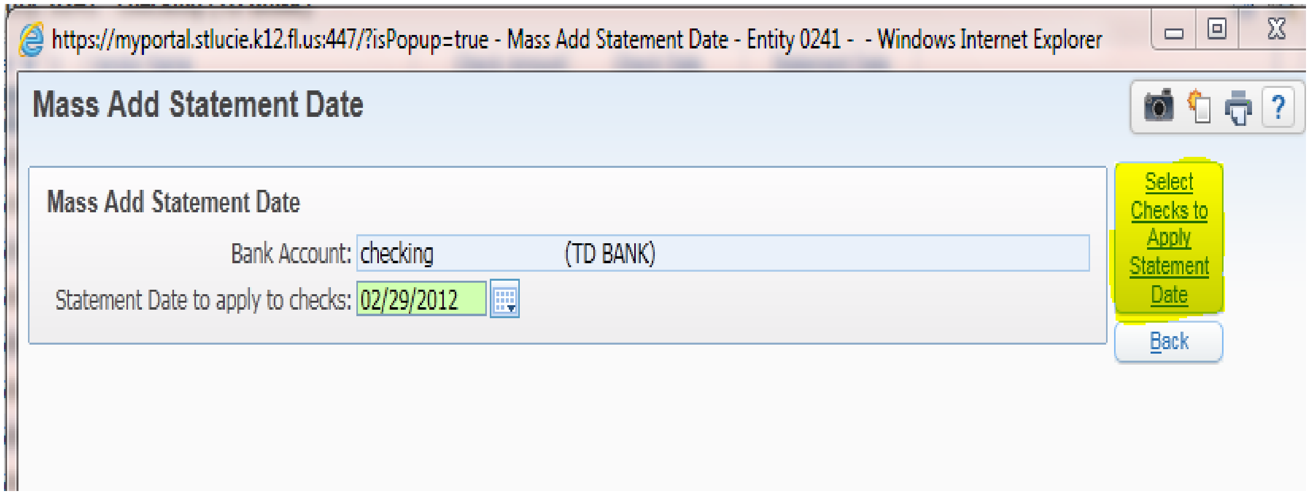


Bank Reconciliation Steps

2. Select ***Mass Add Statement Date***.

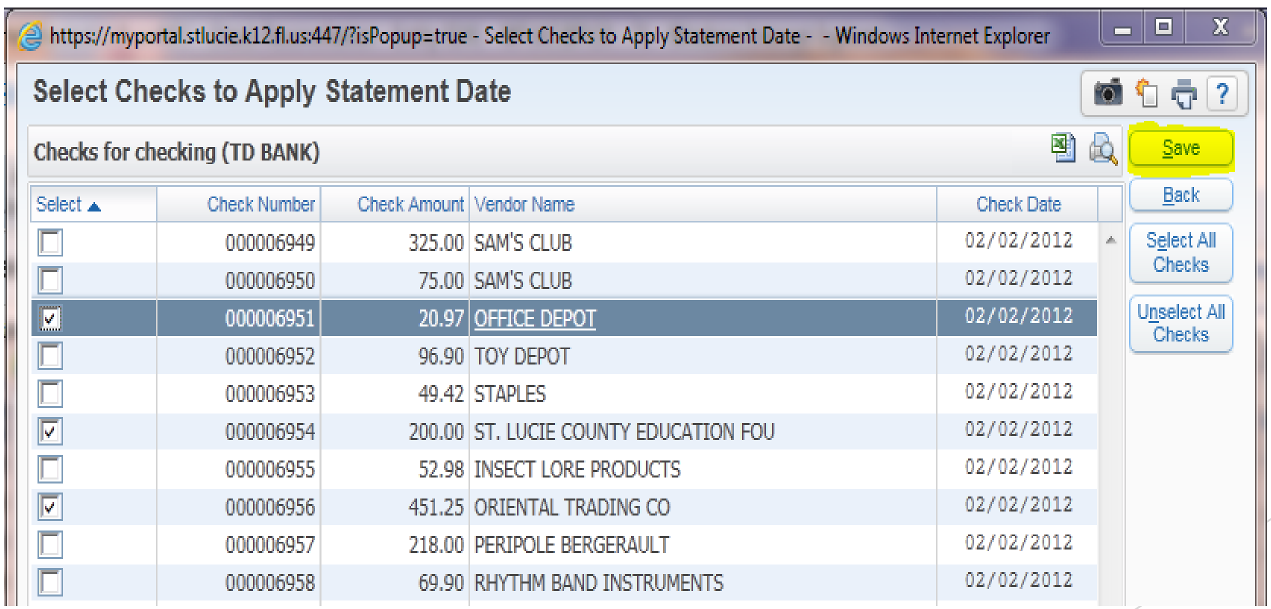
Bank Reconciliation Steps

- Change the date to the last date of the month being reconciled. Then select ***Checks to Apply Statement Date***.



Bank Reconciliation Steps

- Place a check mark beside each check that has cleared the bank in the month being reconciled. Then select ***Save***.


https://myportal.stlucie.k12.fl.us:447/?isPopup=true - Select Checks to Apply Statement Date - - Windows Internet Explorer

Select Checks to Apply Statement Date

Checks for checking (TD BANK)

Save

Back

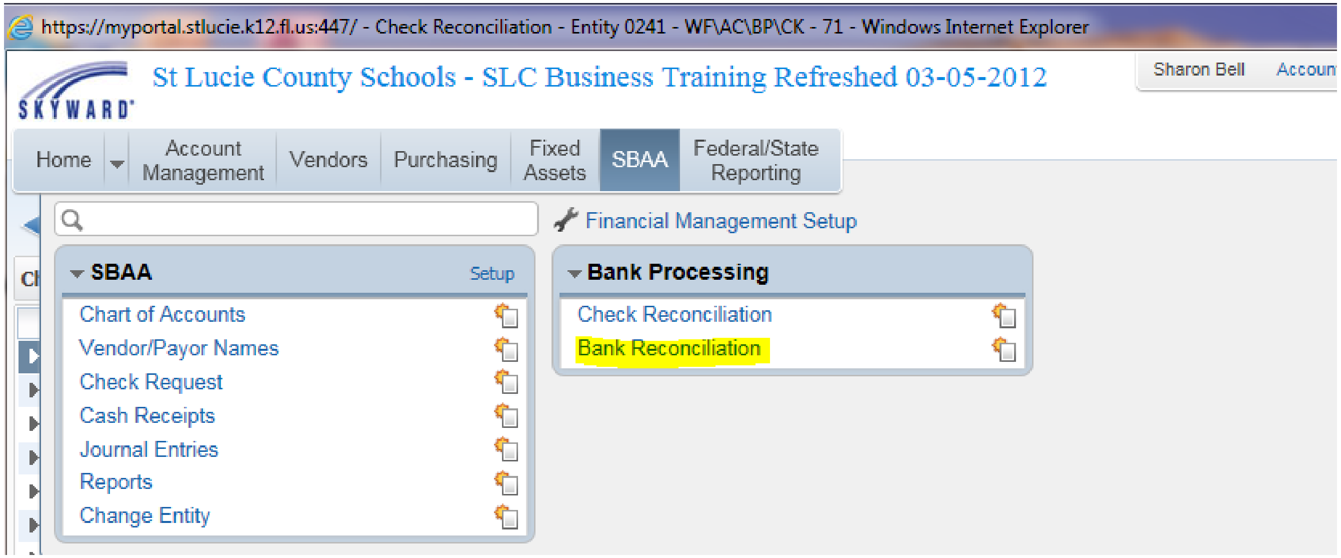
Select All Checks

Unselect All Checks

Select	Check Number	Check Amount	Vendor Name	Check Date
☐	000006949	325.00	SAM'S CLUB	02/02/2012
☐	000006950	75.00	SAM'S CLUB	02/02/2012
☑	000006951	20.97	OFFICE DEPOT	02/02/2012
☐	000006952	96.90	TOY DEPOT	02/02/2012
☐	000006953	49.42	STAPLES	02/02/2012
☑	000006954	200.00	ST. LUCIE COUNTY EDUCATION FOU	02/02/2012
☐	000006955	52.98	INSECT LORE PRODUCTS	02/02/2012
☑	000006956	451.25	ORIENTAL TRADING CO	02/02/2012
☐	000006957	218.00	PERIPOLE BERGERAULT	02/02/2012
☐	000006958	69.90	RHYTHM BAND INSTRUMENTS	02/02/2012

Bank Reconciliation Steps:

Select ***SBAA***, ***Bank Reconciliation***.

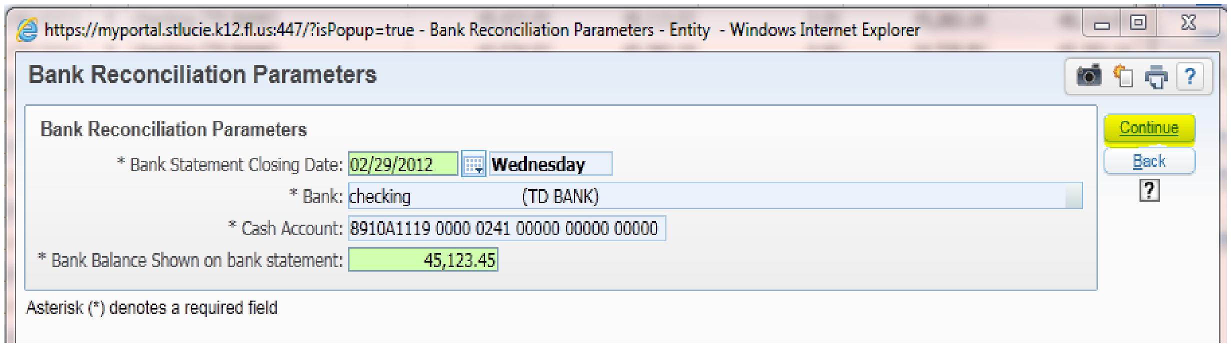


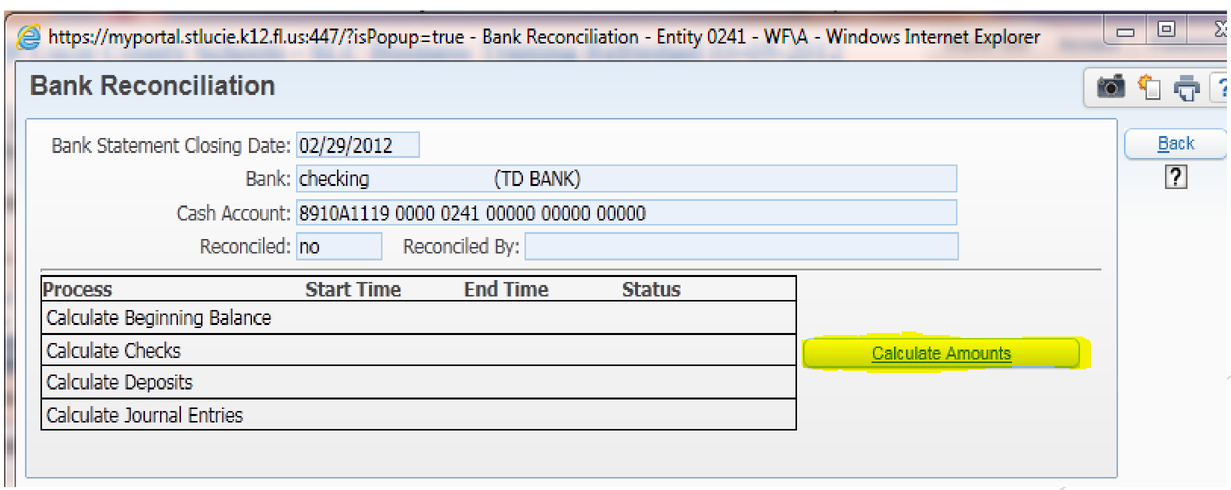
Bank Reconciliation Steps

- Select *Add* to add the next month Bank Reconciliation

Bank Reconciliation Steps

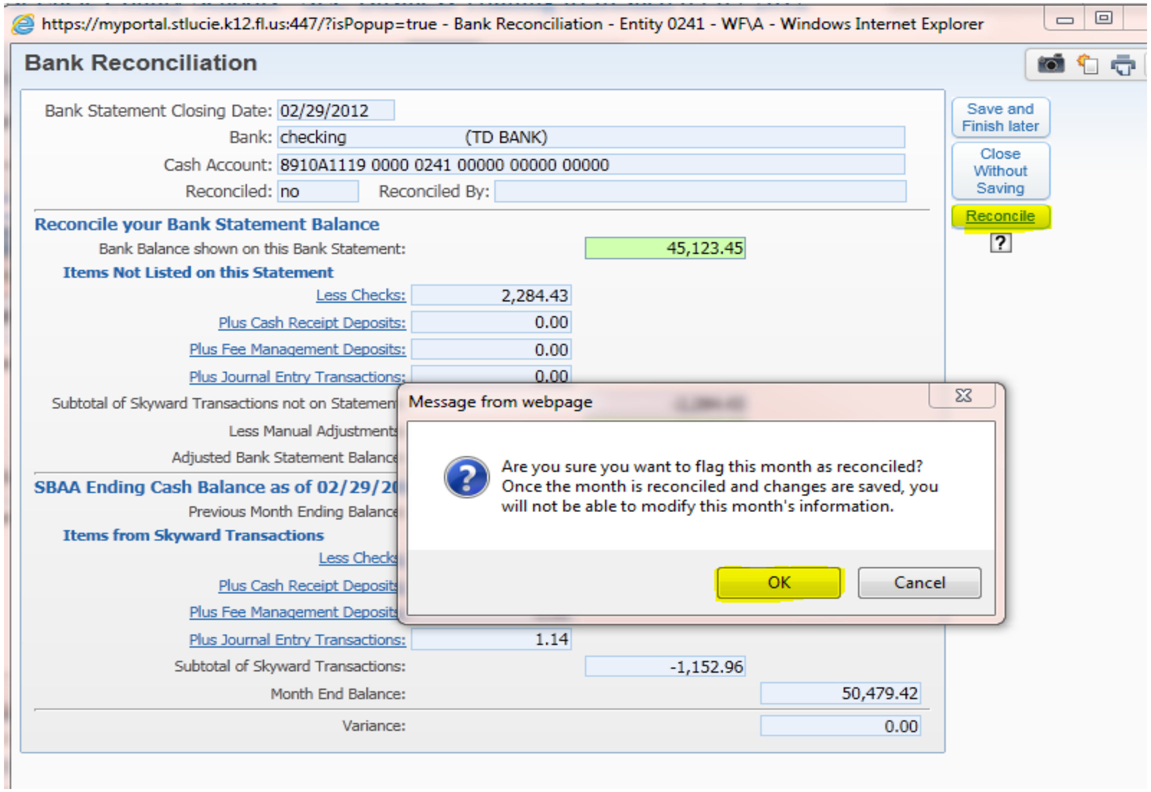
- Enter the last date of the month being reconciled and the ending balance as shown on the bank statement. Then select ***Continue***. Next select ***Calculate Amounts***.





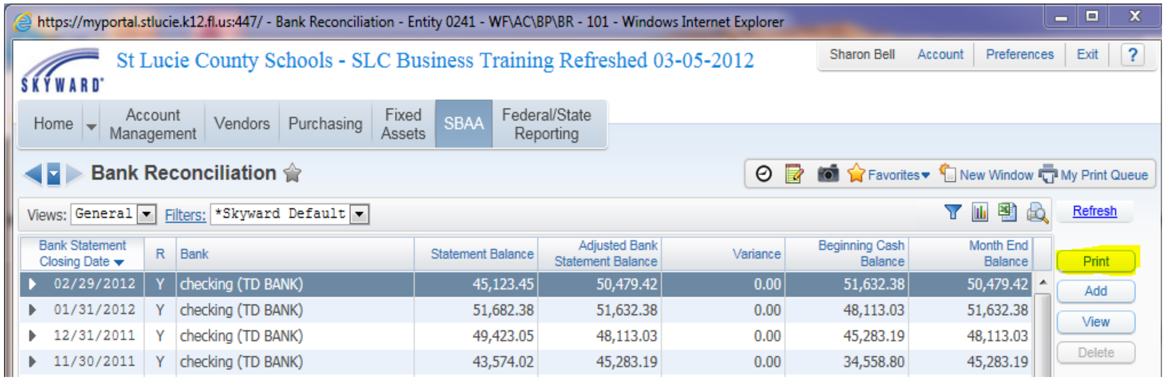
Bank Reconciliation Steps

- When the variance is zero, select ***Reconcile***. Then select ***OK***.

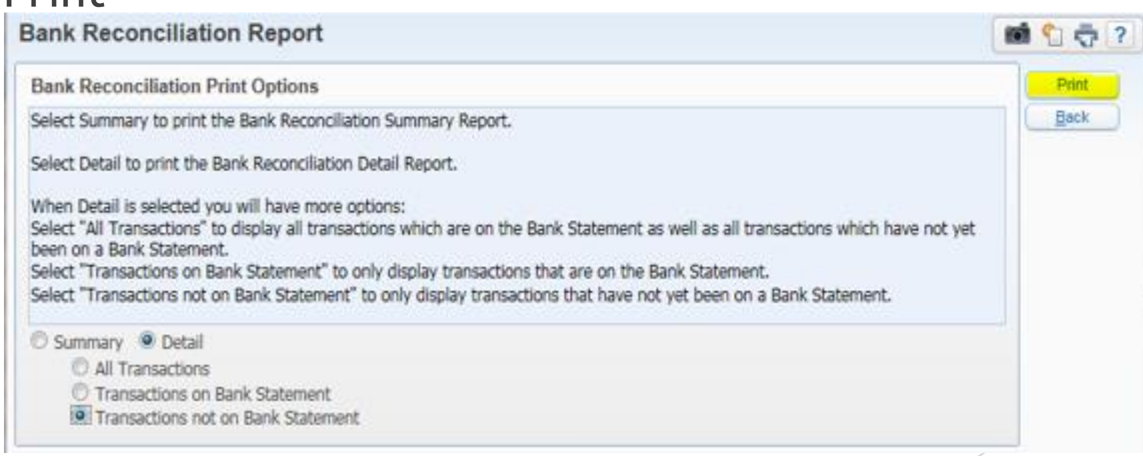


Bank Reconciliation Steps

- Once the Reconciliation is complete
- Select the file for the month being reconciled and select ***Print***.



- Select report Detail, Transactions not on Bank Statement, Print

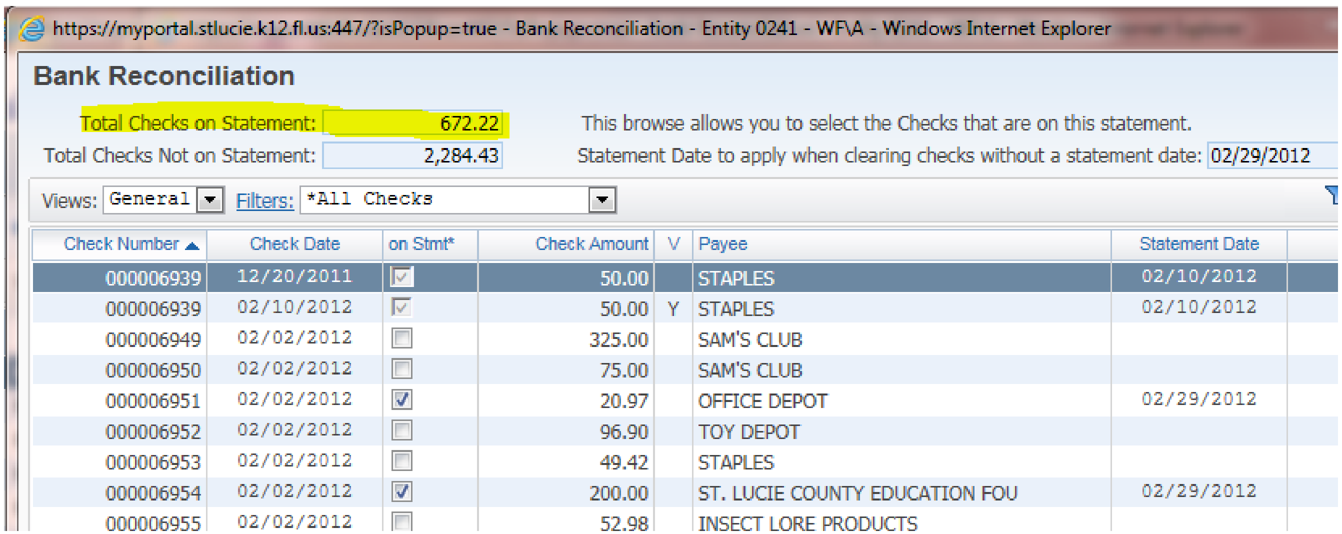


Bank Reconciliation Tips

- OUT OF BALANCE?
- Look on the bank statement for any chargebacks/debits (returned checks, bank fees, etc.)
- Check for credits (deposit adjustments, bank fee refunds).
  - Investigate these as need them and record adjustments (i.e. journal entries) as necessary.
  - **(Note: The date on these journal entry adjustments should be within the statement month being reconciled.)**

Bank Reconciliation Tips

Match the amount of checks paid on the bank statement to the amount of ***Total Checks on Statement*** at the top of the Skyward screen



https://myportal.stlucie.k12.fl.us:447/?isPopup=true - Bank Reconciliation - Entity 0241 - WFVA - Windows Internet Explorer

Bank Reconciliation

Total Checks on Statement: 672.22

Total Checks Not on Statement: 2,284.43

This browse allows you to select the Checks that are on this statement.

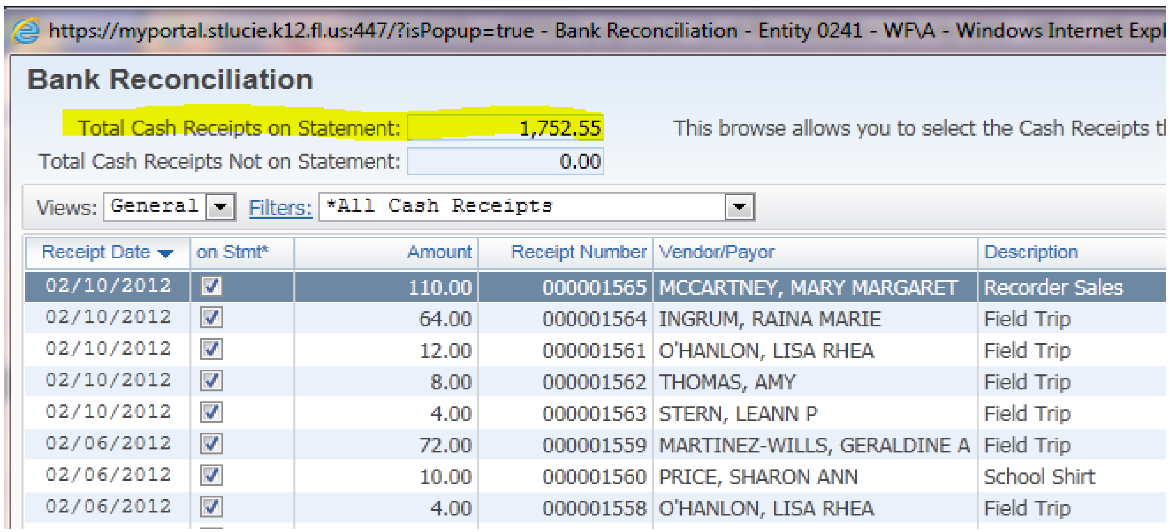
Statement Date to apply when clearing checks without a statement date: 02/29/2012

Views: General Filters: *All Checks

Check Number	Check Date	on Stmt*	Check Amount	V	Payee	Statement Date
000006939	12/20/2011	☑	50.00		STAPLES	02/10/2012
000006939	02/10/2012	☑	50.00	Y	STAPLES	02/10/2012
000006949	02/02/2012	☐	325.00		SAM'S CLUB	
000006950	02/02/2012	☐	75.00		SAM'S CLUB	
000006951	02/02/2012	☑	20.97		OFFICE DEPOT	02/29/2012
000006952	02/02/2012	☐	96.90		TOY DEPOT	
000006953	02/02/2012	☐	49.42		STAPLES	
000006954	02/02/2012	☑	200.00		ST. LUCIE COUNTY EDUCATION FOU	02/29/2012
000006955	02/02/2012	☐	52.98		INSECT LORE PRODUCTS	

Bank Reconciliation Tips

- Confirm the Cash Receipts match the bank statements amount of deposits.


https://myportal.stlucie.k12.fl.us:447/?isPopup=true - Bank Reconciliation - Entity 0241 - WF\A - Windows Internet Expl

Bank Reconciliation

Total Cash Receipts on Statement: 1,752.55

Total Cash Receipts Not on Statement: 0.00

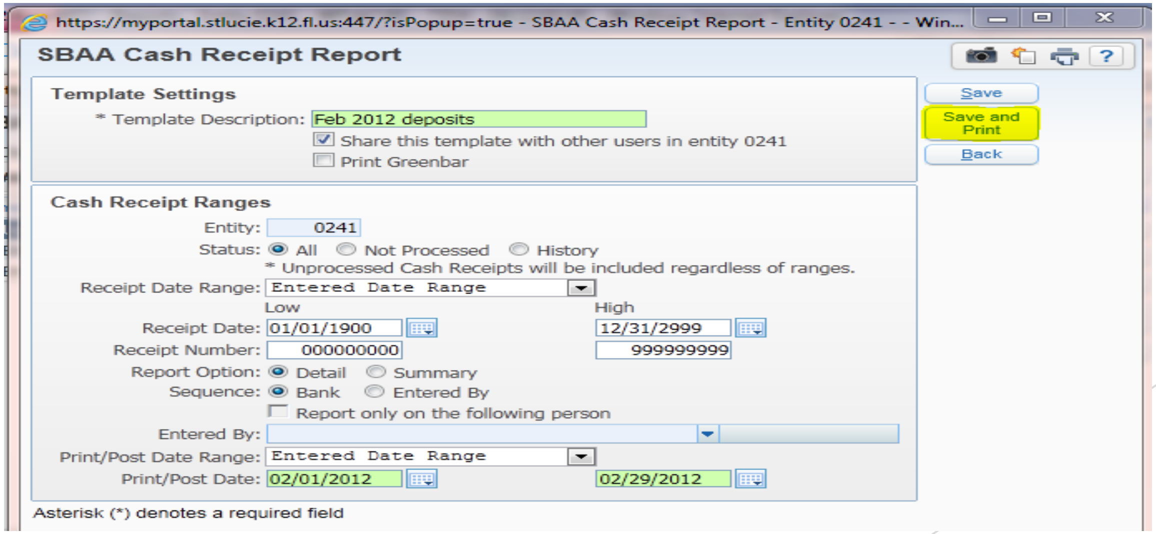
This browse allows you to select the Cash Receipts t

Views: General Filters: *All Cash Receipts

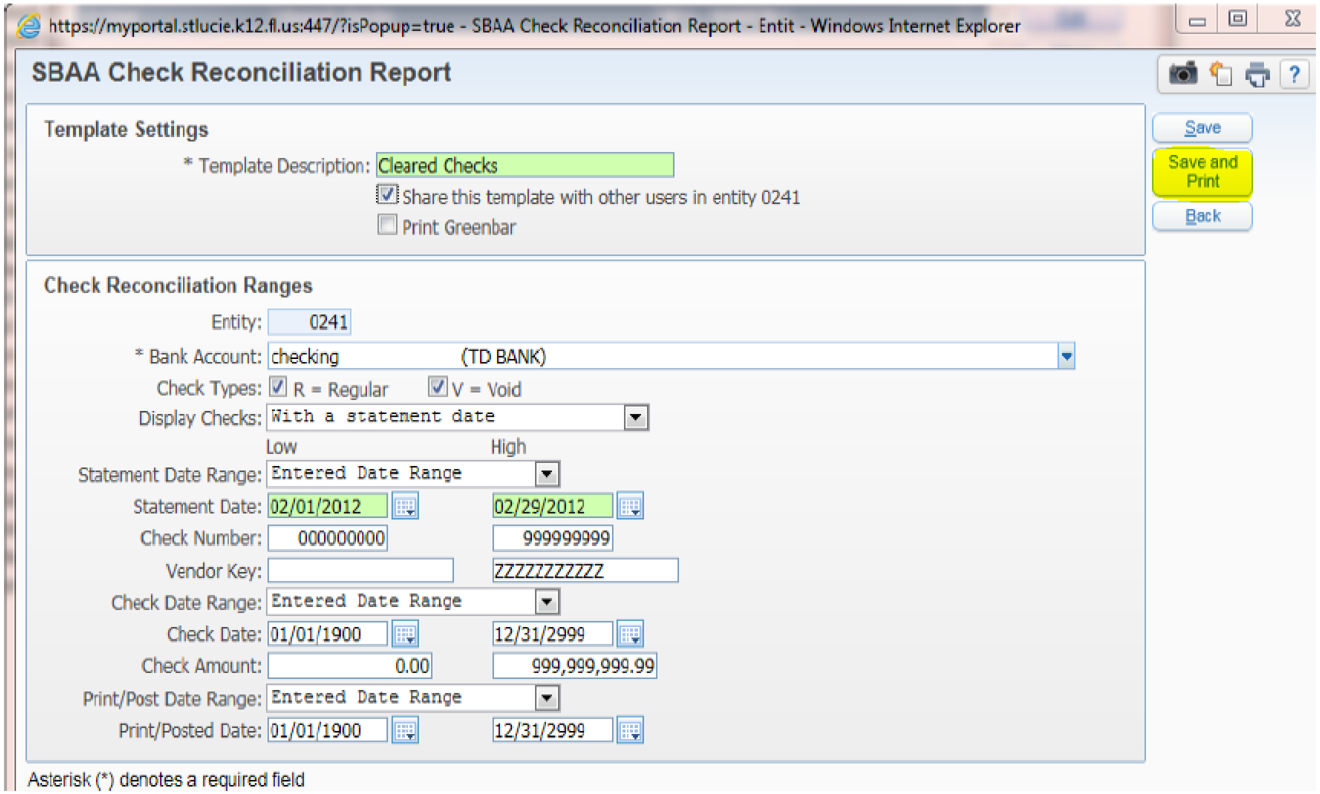
Receipt Date	on Stmt*	Amount	Receipt Number	Vendor/Payor	Description
02/10/2012	☑	110.00	000001565	MCCARTNEY, MARY MARGARET	Recorder Sales
02/10/2012	☑	64.00	000001564	INGRUM, RAINA MARIE	Field Trip
02/10/2012	☑	12.00	000001561	O'HANLON, LISA RHEA	Field Trip
02/10/2012	☑	8.00	000001562	THOMAS, AMY	Field Trip
02/10/2012	☑	4.00	000001563	STERN, LEANN P	Field Trip
02/06/2012	☑	72.00	000001559	MARTINEZ-WILLS, GERALDINE A	Field Trip
02/06/2012	☑	10.00	000001560	PRICE, SHARON ANN	School Shirt
02/06/2012	☑	4.00	000001558	O'HANLON, LISA RHEA	Field Trip

Bank Reconciliation Tips

- Investigate any difference by running a report of the monthly deposits.
- Go to ***SBAA*, *Reports*, *Cash Receipt Report***.
- Run for the Print/Post Date of current month being reconciled.
- Compare the amounts on this report to the amounts on the bank statement.
- If there are deposits posted to Skyward that appear on the next month's bank statement (deposits in transit), uncheck these deposits in the ***on Statement*** column.



Bank Reconciliation Tips



Adding a Liability Account

- A First determine the account number to be added.
- All internal account numbers begin with number“8”. The second number in an account number is determined by the purpose and type of account, using Chart of Accounts on page 8-10 of the Redbook for guidance.
- For example a trust account number would begin with “86” (86xxx).
- In addition, there are account numbers reserved for specific purposes, as follows:

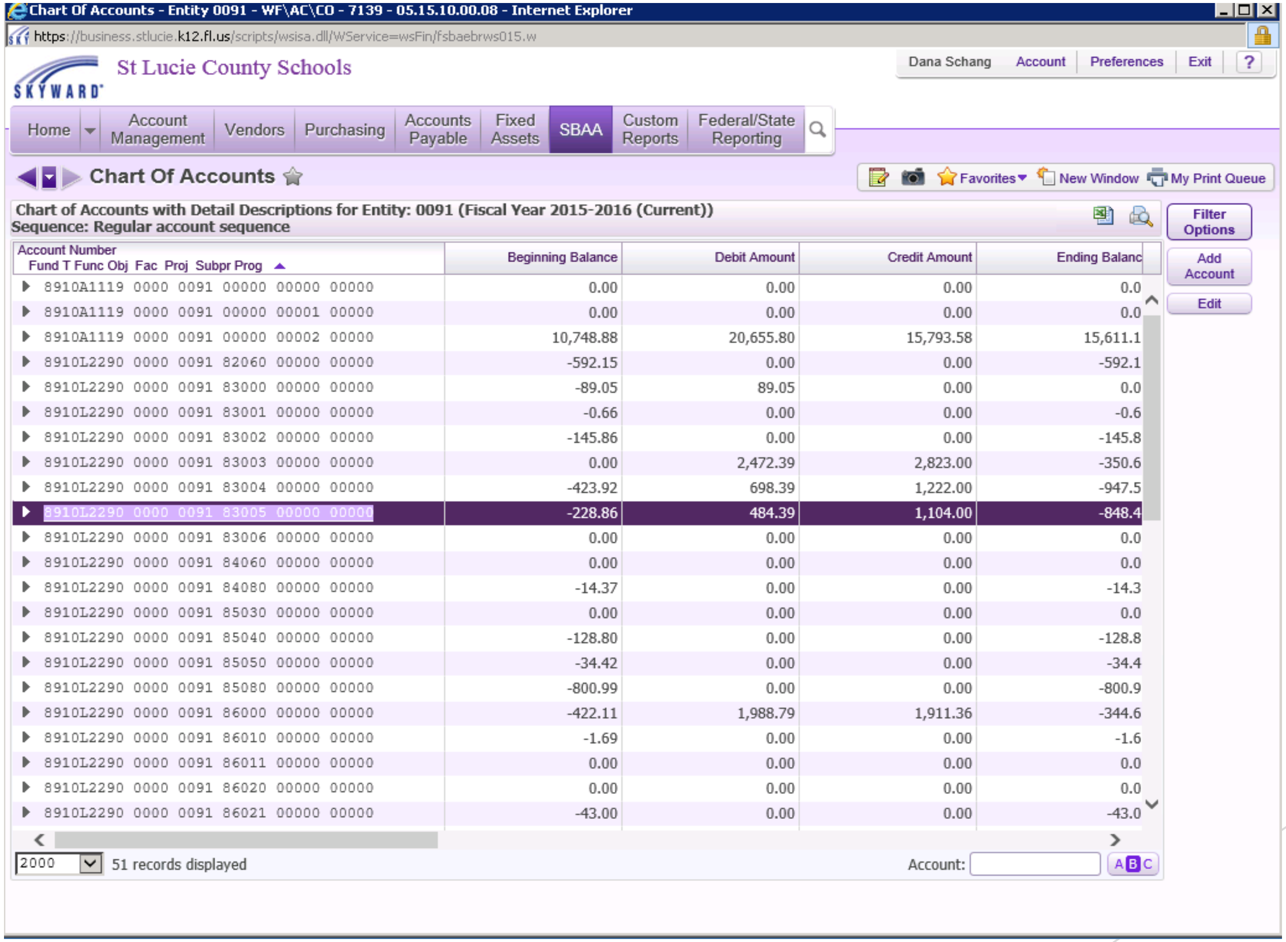
Adding a Liability Account

This page in its entirety can be found on Page 2-of the Internal Accounts Manual.

Project Number	Project Description		Project Number	Project Description
81020	Baseball		81282	Volleyball, Varsity
81040	Basketball		81300	Wrestling
81041	Basketball, Boys		81995	Athletic Officials
81042	Basketball, Girls		81996	General Athletic Operations
81043	Basketball, JV		81997	District Reimbursement
81060	Bowling		81998	Athlete Processing Fees
81080	Cheerleaders		81999	Athletic Gate Receipts
81081	Cheerleaders, JV		82020	Band
81082	Cheerleaders, Varsity		82040	Chorus
81100	Cross Country		82060	Music
81120	Football		84020	National Honor Society
81121	Football, Varsity		84040	National Jr. Honor Society
81140	Golf		84060	Safety Patrol
81141	Golf, Boys		84080	Student Council

Adding a Liability Account

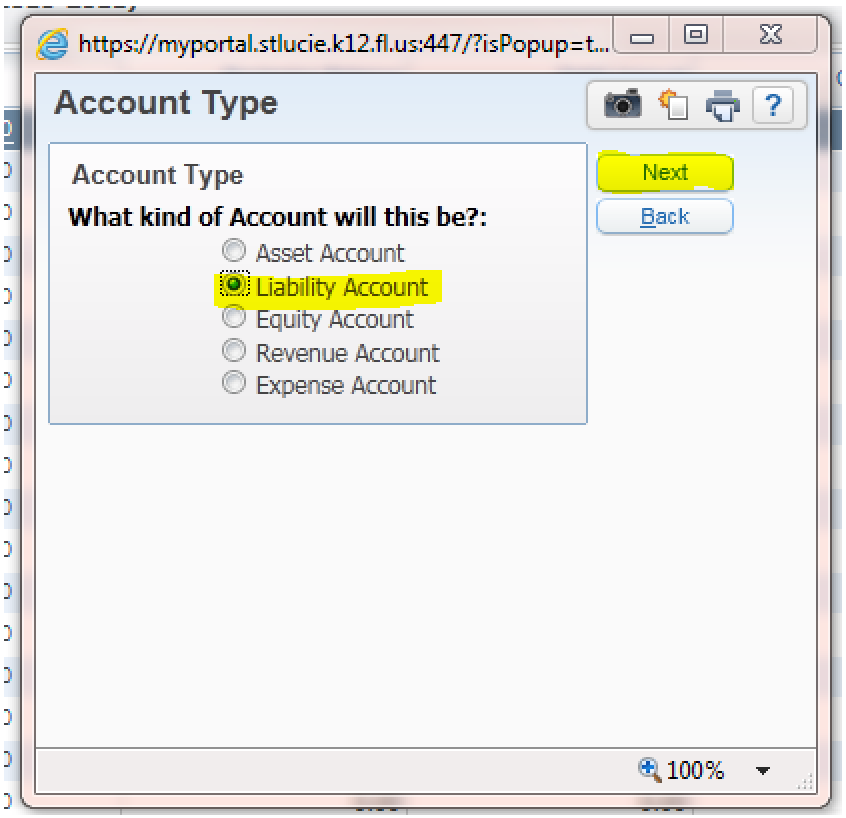
When adding an Liability Account always highlight where you want to add the account so that you are in the correct area: See below:



Account Number Fund T Func Obj Fac Proj Subpr Prog	Beginning Balance	Debit Amount	Credit Amount	Ending Balanc
8910A1119 0000 0091 00000 00000 00000	0.00	0.00	0.00	0.0
8910A1119 0000 0091 00000 00001 00000	0.00	0.00	0.00	0.0
8910A1119 0000 0091 00000 00002 00000	10,748.88	20,655.80	15,793.58	15,611.1
8910L2290 0000 0091 82060 00000 00000	-592.15	0.00	0.00	-592.1
8910L2290 0000 0091 83000 00000 00000	-89.05	89.05	0.00	0.0
8910L2290 0000 0091 83001 00000 00000	-0.66	0.00	0.00	-0.6
8910L2290 0000 0091 83002 00000 00000	-145.86	0.00	0.00	-145.8
8910L2290 0000 0091 83003 00000 00000	0.00	2,472.39	2,823.00	-350.6
8910L2290 0000 0091 83004 00000 00000	-423.92	698.39	1,222.00	-947.5
8910L2290 0000 0091 83005 00000 00000	-228.86	484.39	1,104.00	-848.4
8910L2290 0000 0091 83006 00000 00000	0.00	0.00	0.00	0.0
8910L2290 0000 0091 84060 00000 00000	0.00	0.00	0.00	0.0
8910L2290 0000 0091 84080 00000 00000	-14.37	0.00	0.00	-14.3
8910L2290 0000 0091 85030 00000 00000	0.00	0.00	0.00	0.0
8910L2290 0000 0091 85040 00000 00000	-128.80	0.00	0.00	-128.8
8910L2290 0000 0091 85050 00000 00000	-34.42	0.00	0.00	-34.4
8910L2290 0000 0091 85080 00000 00000	-800.99	0.00	0.00	-800.9
8910L2290 0000 0091 86000 00000 00000	-422.11	1,988.79	1,911.36	-344.6
8910L2290 0000 0091 86010 00000 00000	-1.69	0.00	0.00	-1.6
8910L2290 0000 0091 86011 00000 00000	0.00	0.00	0.00	0.0
8910L2290 0000 0091 86020 00000 00000	0.00	0.00	0.00	0.0
8910L2290 0000 0091 86021 00000 00000	-43.00	0.00	0.00	-43.0

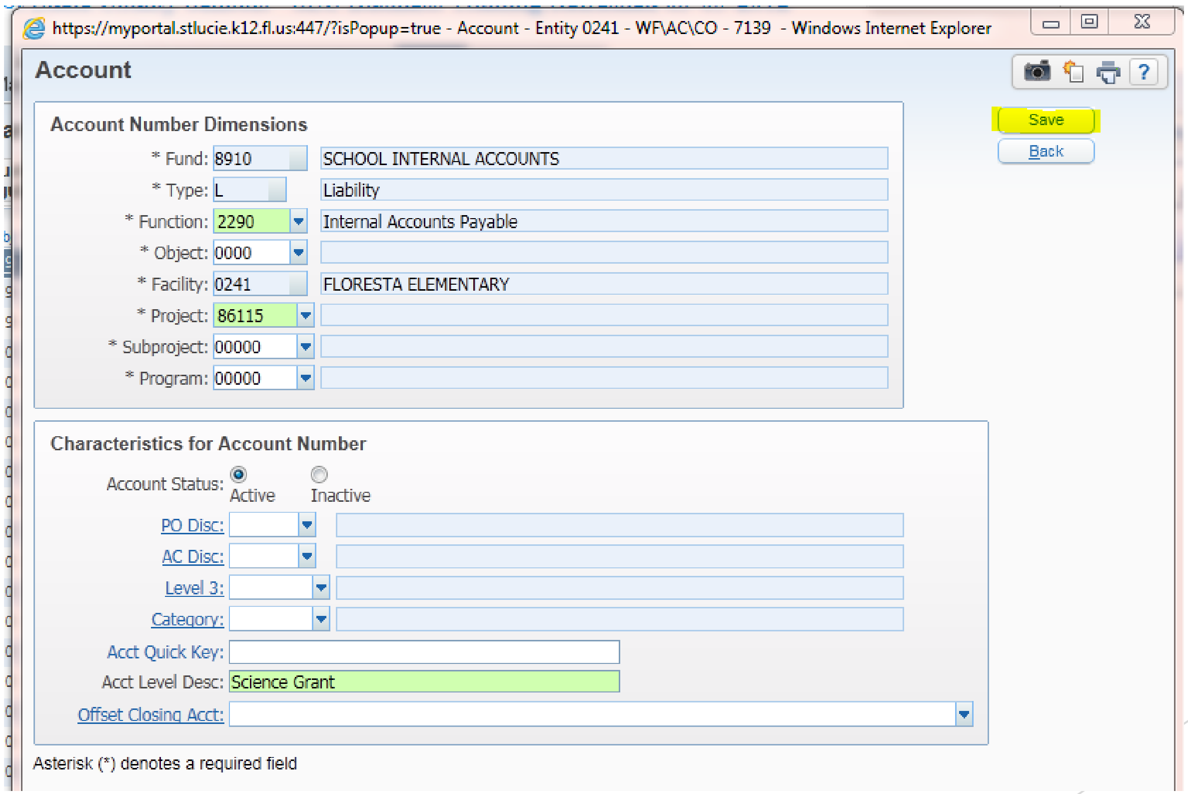
Adding a Liability Account

- Select Liability Account from account type



Adding a Liability Account

- Verify that the Type is “L” FOR Liability
- Function will be 2290
- Type Project Number Adding
- Type account title in the Act Level Desc Field
- Click Save



Journal Entries
WHEN DO I DEBIT AND CREDIT?

- If a check clears for Less than what was written?
  - Credit Liability
  - Debit Bank Account
- If a check clears for More than what was written?
  - Debit Liability
  - Credit Bank Account

Journal Entries
WHEN DO I DEBIT AND CREDIT

- If a Deposit receipt comes in over by the amount entered in skyward?
  - Credit Liability
  - Debit Bank Account
- If a Deposit receipt comes in less than the amount entered in skyward?
  - Debit Liability
  - Credit Bank Account

Remote Deposit's

- Discussion on Remote Deposits
- Overview from Seacoast Bank regarding procedures.

Questions and Discussion.