Vance County Schools
Individual School Accounting

Internal Controls and Responsibilities
Vance County Schools
Individual School Accounting
Internal Controls and Responsibilities

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Vance County Schools
Individual School Accounting
Principal Statement of Understanding

I, ____________________________, Principal of ____________________________,

  school, hereby certify that:

  • I am responsible for all funds deposited and disbursed from my school's individual school account,

  • I have read and understand the Individual School Accounting Duties and Responsibilities of the Principal as included in this document,

  • I have read and understand the Individual School Accounting Duties and Responsibilities of the Treasurer as included in this document,

  • I have reviewed and discussed these responsibilities with the school Treasurer,

  • I have read and understand the Internal Control Procedures Over: Employee Cash Receipts, Treasurer Cash Receipts, and Cash Disbursements,

  • I have reviewed and discussed these procedures with the school Treasurer,

  • I will exercise my fiduciary responsibility to ensure that such responsibilities and internal control procedures are carried out by the Treasurer and staff of this school, and

  • I will hold the Treasurer and all school employees accountable for the execution of their duties with concerns to individual school accounting,

  • I will review on a monthly basis the financial reports listed in the Duties and Responsibilities of the Principal to ensure the accuracy and integrity of the school's financial operations,

  • I will make available the school's financial records to the Finance Office without notice for any and all financial reviews and audits during the school year, and

  • I will address and correct all areas of concern that result from any and all financial reviews and audits during the school year.

  • I have read and will adhere to all board policies pertaining to finances.

  • I am not allowed to approve or sign any reimbursement check to myself. All reimbursement checks must be signed by the finance officer and school treasurer. Board Policy 7650 requires pre-approval for any reimbursement greater than $50 by the superintendent or designee.

__________________________________________  ______________________________
Principal Signature                         Date
Vance County Schools
Individual School Accounting
Treasurer Statement of Understanding

I, ____________________________, Treasurer of ____________________________,
school, hereby certify that:

• I am responsible for keeping a complete and accurate financial record of all monies deposited
  and disbursed from the individual school account in a manner prescribed by the Finance Office,

• I have read and understand the Individual School Accounting Duties and Responsibilities of the
  Principal as included in this document,

• I have read and understand the Individual School Accounting Duties and Responsibilities of the
  Treasurer as included in this document,

• I have read and understand the Internal Control Procedures Over: Employee Cash Receipts,
  Treasurer Cash Receipts, and Cash Disbursements, and

• I have reviewed & discussed these responsibilities and procedures with the school Principal,

• I will exercise my fiduciary responsibility to ensure that such responsibilities and internal control
  procedures are carried out in my position as school Treasurer,

• I will prepare the financial reports listed in the Duties and Responsibilities of the Treasurer on a
  monthly basis and will present them in a timely manner to the Principal for his/her review and
  approval,

• I will submit all financial reports to the Finance Office as prescribed in this document,

• I will make available the school’s financial records to the Finance Office without notice for
  any and all financial reviews and audits during the school year, and

• I will address and correct all areas of concern that result from any and all financial reviews and
  audits during the school year,

• I understand that it is both illegal and against school policy to embezzle or use school funds for
  my own personal use, and

• I will not embezzle or use school funds for my own personal use under any circumstance, and

• I understand that if it is proven that I have embezzled or used school funds for my own personal
  use I will be punished to the full extent permitted under State and Federal law to include, but not
  limited to, possible termination and/or criminal prosecution.

• I have read and will adhere to all board polices pertaining to finances.

• I am not allowed to approve or sign any reimbursement check to myself. All reimbursement checks
  must be signed by the finance officer and school principal. Board Policy 7650 requires pre-
  approval for any reimbursement greater than $50 by the superintendent or designee.

________________________________________  _______________________
Treasurer Signature  Date
Vance County Schools
Individual School Accounting

Duties and Responsibilities of the Principal

• The Principal is responsible for all funds deposited into his/her individual school account.

• No funds shall be expended without the knowledge and approval of the Principal. The Principal shall sign all invoices, school vouchers, or other supporting documentation as approval before payment is made.

• No funds shall be obligated without the knowledge and approval of the Principal. The Principal shall sign all in-school purchase orders before the funds can be obligated.

• In respect to all funds deposited into the individual school account, the Principal is responsible for the accounting of these funds on a monthly basis to the Finance Office in conjunction with the school Treasurer.

• In respect to restricted funds, the Principal is, in effect, a trustee of these funds and is charged with the responsibility of managing and expending these funds for their intended use.

• All checks or drafts made on the school account shall be signed by the Principal and the Treasurer. In situations where the Principal or Treasurer is not available, the Finance Officer is authorized to sign school checks. Use of stamps to sign checks is not allowable under any circumstances.

• On a monthly basis, the Principal is responsible for reviewing, approving, and signing the bank statement. In order to certify that the entire bank statement has been reviewed, monitored, and approved, the Principal shall initial each page of the complete bank statement on a monthly basis.

• The Principal is responsible for reviewing all checks drafted against the school account (as included with the bank statement) to ensure the following:
  o Each check drafted against the school account was properly signed by the Principal and the Treasurer
  o Each check drafted against the school account was made payable to a valid payee
  o The reasonableness of the amount made payable on the check is verified

• As part of the approval of the monthly bank statement, Principals shall review the deposits included in the bank statement to assure that all funds are deposited in the bank in a timely manner. State law 115C-445 requires that funds on hand in an amount of $250 or more must be deposited on a daily basis. Any and all funds on hand shall be deposited on the last day of the month.
Vance County Schools
Individual School Accounting

Duties and Responsibilities of the Principal (continued)

• The Principal shall communicate to staff and hold them accountable for exercising all internal controls related to the receipting of money. This includes, but is not limited to, the following:
  o The Principal shall communicate to staff that all money collected and receipted shall be turned in to the office with receipt book on a daily basis for deposit into the bank. Principal shall hold staff in compliance with this requirement through close communication and cooperation with the school Treasurer.
  o The Principal shall ensure that cash receipts are counted in the presence of the person turning in the money before the receipt is written.

• In order to certify approval, the Principal shall review, monitor, and sign the following on a monthly basis:
  o Bank Reconciliation
  o Deposits in Transit Report
  o Outstanding Check List
  o Cleared Checks
  o Check Register Report
  o Receipts and Disbursements Report
  o Transfers
  o Journal Entries

• The Principal shall communicate to school Treasurer and hold him/her accountable for submitting all appropriate financial data to the Finance Office by the 15th of the month for the prior month’s activity. Such data includes the information listed above.
Vance County Schools
Individual School Accounting

Duties and Responsibilities of the Treasurer

• The Treasurer shall keep a complete record of all monies deposited into the school account in a manner prescribed by the Finance Office.

• The Treasurer shall prepare and submit reports, which have been approved by the Principal with his/her signature, to the Finance Office concerning the status of each account maintained by the individual school by the 15th of the month for the prior month’s activity. The signed reports submitted to the Finance Office on a monthly basis shall include, but is not limited to, the following:
  a. Bank Reconciliation
  b. Deposits in Transit Report
  c. Outstanding Check List
     d. Cleared Checks
  e. Check Register Report
  f. Receipts and Disbursements Report
  g. Transfers
  h. Journal Entries

• The Treasurer is responsible for ensuring that all internal controls over cash receipts and disbursements are being exercised consistently and efficiently on a daily, monthly, and annual basis.

• The Treasurer shall document and communicate to the Principal any and all circumstances where internal controls over cash receipts and disbursements are not being exercised consistently and efficiently by school staff.

• The Treasurer shall ensure that all employee receipt books are inventoried so as to ensure that all receipt books are accounted for by employee during the year.

• The Treasurer shall receive all monies that are collected from employees.

• The Treasurer shall write receipts for all monies in strict compliance with all internal controls over receipts.

• The Treasurer shall ensure that cash receipts are counted in the presence of the person turning in the money before the receipt is written.

• The Treasurer shall prepare the daily bank deposit.

• The Treasurer shall make the deposit at the bank. State law 147.77 requires that monies should be deposited in the bank at noon or as near there to.
Vance County Schools
Individual School Accounting

Duties and Responsibilities of the Treasurer (continued)

• With concerns to making the bank deposit, the Treasurer shall ensure:
  o That funds on hand in an amount of $250 or more are deposited at the bank on a daily basis. This is a State Law 115C-445.
  o That any and all funds on hand are deposited on the last day of the month.

• The Treasurer must post all cash receipts to the General Ledger on a daily basis.

• The Treasurer shall process all purchase orders. The Treasurer shall ensure that no funds are obligated without the knowledge and approval of the Principal. The Principal shall sign (not initial) all in-school purchase orders before the funds can be obligated.

• The Treasurer shall process all invoices and school vouchers for payment. The Treasurer shall ensure that no funds are expended without the knowledge and approval of the Principal. The Principal shall sign all invoices, school vouchers, or other supporting documentation as approval before payment is made.

• The Treasurer shall ensure that no disbursements are made from the school account unless adequately supported by approved invoices, school vouchers, or other proper documentation.

• The Treasurer shall ensure that school employees present adequate documentation for reimbursement of their personal funds. Such documentation must be signed by the Principal before reimbursement is made.

• The Treasurer shall write all checks. The Treasurer shall ensure that all checks or drafts made on the school account shall be signed by the Principal and the Treasurer only. In situations where the Principal or Treasurer is not available, the Finance Officer is authorized to sign school checks. Use of stamps to sign checks is not allowable under any circumstances.

• The Treasurer must write all checks through the SchoolFunds accounting system. Manual, handwritten checks are not allowed.

• The Treasurer shall ensure that all original invoices, school vouchers, or other supporting documentation is marked "paid" or otherwise cancelled by indicating the check number and date paid when checks are issued.

• The Treasurer shall reconcile the bank statement monthly.

• The Treasurer shall perform any and all other accounting responsibilities prescribed by the Principal and Finance Officer.
Vance County Schools
Internal Control Procedure Over Employee Cash Receipts

Issuance of Employee Receipt Book

• All individual employee receipt books will be controlled by the school Treasurer so as to ensure that all receipt books are accounted for during the school year.
  • All receipt books are to be ordered through the warehouse only. This is to ensure that all schools are the same books.

• Any individual employee that collects funds must be issued a pre-numbered individual receipt book by the school Treasurer.

• The Treasurer will keep an inventory of issued employee receipts books by completing and maintaining a Receipt Book Inventory Log (CR-1). On the log, the Treasurer will record the following information:
  o Name of employee to which the receipt book is issued
  o Assigned receipt book number
  o Beginning and ending receipt number of the receipt book issued
  o Signature of the employee issued a receipt book
  o Date the receipt book is issued to the employee and returned by the employee

• An employee must do the following before he/she will be issued a receipt book from the school Treasurer:
  o Read in full and sign the Internal Control Procedure Over Employee Cash Receipts (pages 9-12)
  o Sign the Receipt Book Inventory Log (CR-1)

• Receipt books shall not be issued to multiple persons. There should only be one person per receipt book.
Vance County Schools
Internal Control Procedure Over Employee Cash Receipts

Responsibility for Employee Receipt Book

• Employee receipt books are the responsibility of the employee to whom the book is issued. This responsibility cannot be delegated. In situations where a teacher assistant receipts money on behalf of their assigned teacher during an instructional day, the teacher is still responsible for verification of monies receipted and signing the Employee Receipts Settlement Report (CR-2) as detailed in the procedure for receipting money outlined in the following section.

• Under no circumstances should students be allowed to write receipts in the teacher’s receipt books.

• All employee receipt books should be kept in a safe and secured location. The receipt book shall not be left in an unlocked desk drawer or file cabinet.

• If the receipt book is lost or stolen, regardless of how much money is receipted in the book, the internal control over cash receipts for the school has been adversely affected and the school’s audit report will reflect this.

• The receipt book should be as important as your personal checkbook.

• The employee to whom the receipt book has been issued will be personally responsible for all lost or stolen receipts in situations where the above detailed internal control procedures were not properly followed.
Vance County Schools
Internal Control Procedure Over Employee Cash Receipts

Procedure for Receipting Money in Employee Receipt Book

• ALL money received or collected by a school employee shall be receipted only in a receipt book issued by the school Treasurer and recorded on the Receipt Book Inventory Log (CR-1). Money receipted includes, but is not limited to, book fairs, book orders, pictures, instructional fees, etc.

• All receipts must be prepared in duplicate with the original given to the person from whom the money was received and the duplicate retained in the book.

• The following must be completely recorded on every receipt issued:
  o Date the money is receipted
  o Name of person from whom funds are received
  o Purpose for which funds were received
  o Amount of the receipt
  o Composition of money received (i.e. cash, check, money order)
  o Signature of the person receiving the money

• If a mistake is made in preparing a receipt, the original and duplicate shall both be marked “VOID” and retained in the receipt book. Do not alter a receipt in pen or pencil. If an error is made, void the receipt and start a new one.

• All receipts must be written to a person’s name and not to a club, group, etc.

• All receipts issued from the employee receipt book must be in strict numerical sequence. Do not skip receipt numbers.

• On the day that money is receipted by the employee in the receipt book, the employee must turn in to the Treasurer the following:
  o The money receipted
  o The employee receipt book
  o A completed Employee Receipts Settlement Report (CR-2)

• All money collected must be receipted in an employee’s receipt book before being turned in to the Treasurer for receipting into the SchoolFunds accounting system.

• The Employee Receipts Settlement Report (CR-2) must be turned in to the Treasurer with the money receipted and the employee’s receipt book on the day that the money is received and receipted. The Employee Receipts Settlement Report (CR-2) will act as a summary of all monies receipted by the employee as included in the employee’s receipt book. The following information must be detailed on the Employee Receipts Settlement Report (CR-2):
  o Employee’s name
  o Date of receipt
  o Assigned receipt book number
  o Beginning/ending receipt numbers
  o Type of receipts
  o Amount collected
  o Teacher/Treasurer signatures
Vance County Schools
Internal Control Procedure Over Employee Cash Receipts

Procedure for Receipting Money in Employee Receipt Book (continued)

• When the employee receipts are turned in to the school Treasurer, the Treasurer shall complete
  the following duties:
    o The Treasurer will correspond (check) the beginning and ending receipt numbers as
      listed on the Employee Receipts Settlement Report (CR-2) against the employee’s
      receipt book.

    o The Treasurer will review the employee receipts from the employee receipt book to
      ensure that they are recorded completely. The Treasurer will also check the date of the
      receipts to ensure that the receipts are being turned in to the Treasurer in a timely
      manner (i.e. day of receipt).

    o The Treasurer shall document repeated instances where an employee is not completely
      recording receipts and/or turning in receipts to the Treasurer in a timely manner and
      and communicate this to the school Principal.

    o The Treasurer will add the employee receipts from the employee receipt book.

    o The Treasurer will add the monies receipted and verify that they are in agreement with
      the total employee receipts from the employee receipt book.

    o The Treasurer will compare the total monies receipted against the total on the Employee
      Receipts Settlement Report (CR-2) to verify that they are in agreement.

    o **If all three are in agreement**, and while in the presence of the employee when
      possible, the Treasurer will sign the Employee Receipts Settlement Report (CR-2) and
      provide the original copy of the report to the employee and attach the duplicate copy to
      the daily Deposit Analysis for the school.

    o The Treasurer will subsequently issue a SchoolFunds generated receipt that shall be
      attached (stapled) to the last used receipt (duplicate) in the employee’s receipt book.

    o The total on the SchoolFunds generated receipt issued by the Treasurer and attached to
      the employee’s receipt book must equal:
        o The total monies receipted
        o The total receipts from the employee’s receipt book
        o The Employee Receipts Settlement Report (CR-2)

    o The Treasurer must reference the beginning and ending receipt numbers from the
      employee’s receipt book on the SchoolFunds generated receipt.

    o **If all three are not in agreement**, the differences should be fully explained and
      corrected by the employee.
Vance County Schools
Internal Control Procedure Over Treasurer’s Cash Receipts

Receipt Book

- All schools must use the receipt books distributed by the Vance County Schools Distribution Center. The use of alternative receipt books will not be allowable.

- The Treasurer must prepare a receipt from the receipt book for all money collected directly and for all money received by mail.

- For monies turned in to the Treasurer, the original receipt from the receipt book must be given to the person from whom the money is received.

- For funds received by mail, the original receipt must be attached to any accompanying correspondence and/or documentation unless a receipt has been requested.

- All duplicate receipts must be retained intact in the receipt book to serve as the initial accounting record.

- All receipts issued from the receipt book must be in strict numerical sequence. Do not skip receipt numbers. The sequence of receipt numbers must be indicated on the Deposit Analysis.

- Before issuing a receipt to the person who turned in the funds, the following information must be recorded on the receipt:
  o Date the money is receipted
  o Name of person from whom money is received
  o Purpose for which funds are received
  o Amount of the receipt
  o Composition of money received (i.e. cash, check, money order)
  o Signature of the person receiving the money and writing the receipt (i.e. Treasurer’s signature)

- Receipts must be made out to the individual from whom the money is received rather than to a fund, account, or organization.

- If a mistake is made in preparing a receipt, the original and duplicate shall both be marked “VOID” and retained in the receipt book. Do not alter a receipt in pen or pencil. If an error is made, void the receipt and start a new one.

- All money receipted by the Treasurer should be counted in the presence of the individual turning in the money when possible. This avoids any discrepancies arising over the amount turned in.

- The receipt must always be written at the time the money is counted.
Vance County Schools
Internal Control Procedure Over Treasurer’s Cash Receipts

Bank Deposits

• All funds collected in the school are to be deposited intact in the school bank account that has been approved by the Vance County Schools Board of Education.

• No checks, personal or otherwise, can be cashed or invoices paid from un-deposited receipts.

• The Principal and the Treasurer are the only agents at the individual school level that shall be authorized by the bank. The Finance Officer may also be authorized by the bank as an agent for the school.

• Each authorized agent must furnish the bank with “sample” signatures on a form provided by the bank.

• If at any time the authorized signatures change, the Finance Office should notify the bank of this change. The finance office will provide this form for signatures.

• The newly authorized agent must then furnish the finance office with a new signature card.

• Bank deposits must be made daily. State law 115C-445 requires that funds on hand in amount of $250 or more must be deposited on a daily basis. Any and all funds on hand shall be deposited on the last banking day of the month. State law 147.77 also requires funds to be deposited in the bank at noon or as near there to.

• Cash receipts must be posted to the general ledger system in the SchoolFunds accounting system daily.

• The Deposit Analysis must be prepared daily and attached to the daily bank deposit.

• No employee shall ever take money home. Monies shall not be left in the school overnight unless placed in a secure, vaulted area.

• Deposits must be taken to the bank promptly using the night depository if necessary.

• All checks received must be immediately endorsed on the back of the check with a restrictive endorsement such as “for deposit only and school name”

• The deposit slip must be prepared in duplicate. Both copies must be taken to the bank for validation. The bank keeps the original and the validated duplicate deposit ticket must be attached to the Deposit Analysis.

• The deposit slip must be prepared in ink only.

• The total currency and total coinage must be indicated on the deposit slip on the lines provided.
Vance County Schools
Internal Control Procedure Over Treasurer’s Cash Receipts

Bank Deposits (continued)

• All checks included in the deposit should be listed separately on the deposit slip by the name of the payer. In all cases, individual checks must be listed. Any additional listing of checks that are included in the deposit must be retained and filed with the duplicate deposit ticket and the Deposit Analysis.

• The total per the deposit slip must agree with the total from the Deposit Analysis.
Vance County Schools
Internal Control Procedure Over Treasurer’s Cash Receipts

Grants and Monetary Donations

- A copy of any agreement that involves funding received at the school level regardless of monetary value should be forwarded to the Finance Department.

- If a grant or monetary donation is received at the school level that is equal to or greater than $5,000 please adhere to the following procedures:
  
  o If the check is made payable to your school name, please deposit the check into your individual school bank account, then make a check payable to Vance County Schools for the same amount and forward the check and corresponding documentation to the Finance Department. Finance will set a local PRC and send instructions on how to budget the funds.

  o If the check is made payable to Vance County Schools, then forward the check and corresponding documentation to the Finance Department. Finance will set a local PRC and send instructions on how to budget the funds.

- If an individual school enters into an agreement and the donor specifically states that the funding cannot be used to pay “sales tax”, the individual school should be prepared to cover the sales tax.
Vance County Schools
Internal Control Procedure Over Cash Disbursements

Purchasing Controls

• No funds shall be obligated without the knowledge and approval of the Principal. The Principal shall sign all in-school purchase orders before the funds can be obligated.

• No purchases can be made before checking on the availability of funds through the school Treasurer. Adequate funds must be available in the fund account before the purchase is made.

• The Principal must approve all purchases in advance of the purchase being made.

• The Treasurer shall ensure that no disbursements are made from the school account unless adequately supported by approved invoices, school vouchers, or other proper documentation.

• The Principal shall sign all school checks and initial all invoices and other supporting documentation as approval before payment is made.

• The Treasurer shall ensure that no funds are expended without the knowledge and approval of the Principal.

• Purchases are to be made from vendors that accept purchase orders administered by the Treasurer and approved by the Principal. In the rare event that a purchase needs to be made from a vendor that does not accept a purchase order, an employee may be granted authority by the Treasurer and Principal to make the purchase from personal funds and then be reimbursed through the individual school account so long as approval is obtained prior to the purchase being made.

• All disbursements must be supported by an independent outside invoice document that indicates what was purchased before reimbursement or payment is made by the school Treasurer. Checks shall be written only when supported by an invoice indicating evidence of a receipt of goods/services and the Principal’s approval.

• When an invoice is received for payment, the person who received the goods/services must indicate in writing on the invoice that the goods/services have been received. Invoices shall not be paid until the goods/services are received and the person who received the goods/services has indicated this in writing on the face of the invoice or packing slip.

• Payment must be made only from vendor invoices and not from vendor statements.

• Invoices must be checked as to correctness of quantity, quality, unit price, and total amount. If the vendor sends a statement, the charges on the statement must be checked against the invoices and the statements must be attached to the invoice to support the disbursement. The invoice amount, which may include a vendor credit memo, should always agree to the check amount. If an invoice amount is not accurately stated, a corrected invoice must be obtained from the vendor prior to payment being made.
Vance County Schools
Internal Control Procedure Over Cash Disbursements

Purchasing Controls (continued)

• When obligations are paid, a copy of the invoice may be included with the check to the vendor to indicate what is being paid. The original invoice, not copies, should always be retained by the school to support the disbursement and marked “paid” or otherwise cancelled by indicating the check number and date paid when checks are issued.

• Purchase orders must not extend beyond the school year.

• Invoices should be paid promptly. All unpaid invoices and obligations of the school must be paid prior to June 30.

Check Writing Controls

• When checks are presented to the Principal for signature, they should be completely filled in and the supporting documents (such as the invoice or vendor statement) must accompany the check.

• Checks must never be signed in advance, as blank, or made payable to cash.

• The Treasurer shall write all checks.

• All checks issued must be computer generated through the SchoolFunds accounting system. Manual, handwritten checks are not allowed.

• All checks or drafts made on the school account shall be signed by the Principal and the Treasurer only. In situations where the Principal or Treasurer is not available, the Finance Officer is authorized to sign school checks. Use of stamps to sign checks is not allowable under any circumstances.

Voiding a Check

• If a check has been issued in error, the check must be properly voided in the SchoolFunds accounting system and the Principal must sign the void check proof sheet.

• The Treasurer must write “VOID” in ink on the check and cut the signatures off the check.

• If applicable, the Treasurer must document the check number by which the voided check was replaced.

• The Treasurer must write the reason that the check is being voided on the supporting documentation.

• The voided check must then be attached to the supporting documentation and filed in check numerical order.
Vance County Schools
Internal Control Procedure Over Cash Disbursements

Stop Payments on Checks

- If a check written and released by the school is stolen, lost, issued to the wrong person, or for any other reason you do not want the check honored, you should notify the finance office so that a stop payment can be made on the check.

- The check must be properly voided in the SchoolFunds accounting system.

- The Treasurer must record the phrase “Stopped Payment” on the supporting documentation and give an explanation for the stopped payment.

- If applicable, the Treasurer must document the check number by which the stopped payment check was replaced.
Vance County Schools
Internal Control Procedure Over Athletics and Other Charge Events

Ticket Inventory

• Admission fees to athletic and other charge events must be accounted for by use of a pre-numbered theater type ticket.

• The ticket inventory is to be administered and accounted for by the Treasurer by maintaining a Ticket Inventory Log (TR-1).

• The supply of tickets available will be established by an inventory of unused tickets at the end of the sales period.

• All tickets must be secured at all times.

• The Ticket Sales Report (TR-2) is to be completed by the Treasurer before each event in order to document the issuance of tickets and a change fund (box) to the ticket seller. The ticket seller must sign and retain the report for completion and return after the event.

Collection of Admission Fees

• A minimum of two people must be available to sell tickets for athletics and other charge events. There must be at least one seller of tickets and at least one collector of tickets. The duties of each ticket seller must be segregated (separated) from the duties of each ticket collector.

• Only employees of the school system are authorized to sell tickets.

• For events that require more than one individual ticket seller, each ticket seller will be responsible for his/her own change box.

• All tickets are to be accounted for at all times.

• Each individual ticket seller should be in a secure location, with the change box in a secure location, at all times.

• The individual ticket collector must collect tickets from patrons to assure that all attendees have paid admission fees.

• All patrons attending an athletic or other charge event must pay the admission fee before admission is allowed into the event. In most cases, the only exception to this is for those individuals who hold a season/event pass to an athletic or charge event at the school. These individuals will not receive a ticket from the ticket seller. The individual’s season/event pass will serve as proof of admission into the event.
Vance County Schools
Internal Control Procedure Over Athletics and Other Charge Events

Receipting Admission Fees

• At the end of each event, each ticket seller will immediately place all money collected in a locked bank bag.

• The locked bank bag and the remaining tickets are to be given to the on-site school administrator or athletic director in charge.

• The bank bag must be secured overnight by doing one of the following:
  o Deliver the bank bag to the bank and place it in the night depository, or
  o Secure the bank bag within the school in a vaulted location

• Monies must not be taken home by any employee of the school system.

• Funds secured in the bank’s night depository must be picked up from the bank on the next banking day by the Treasurer or other authorized agent as designated by the commercial deposit processing agreement of the bank. Any changes in designations of authorized agents must be facilitated by the Finance Department.

• Immediately at the beginning of the next work day, the locked bank bag and remaining tickets must be delivered and turned over to the Treasurer.

• In the presence of the ticket seller, school administrator or athletic director, the Treasurer must:
  o Open the bank bag
  o Count the money and verify against the Ticket Sales Report (TR-2)
  o Check the ending ticket number on the Ticket Sales Report (TR-2) against the tickets returned to the Treasurer
  o Complete and sign the Ticket Sales Report (TR-2)
  o Obtain the signature of the ticket seller on the Ticket Sales Report (TR-2) and issue a receipt to the ticket seller in the amount of the reconciled ticket revenue less the change fund that is being returned.
Vance County Schools
Individual School Audit Procedure

• In order assure the internal controls over cash receipts and disbursements are efficiently and effectively be exercised at the school level on an ongoing basis, the Finance Office will conduct routine internal audits of each school’s individual school account.

• Individual school financial reviews and audits will be conducted throughout the school year without notice. Financial records are expected to be in order at all times through the school year.

• There will be two types of audit reviews conducted by the Finance Office throughout the school year:
  1. Financial review conducted at the Central Office level
  2. Financial review conducted at the individual school level

• Instructional audits are reserved for new bookkeepers. Official audits are reserved for experienced bookkeepers and for new bookkeepers who have already had an instructional audit.

• The results of each financial review will be submitted to the school Principal and Treasurer. Any deficiencies in financial reporting will be noted. Each school may be asked to submit a written response to each review detailing the steps that will be taken to correct any deficiencies in an official audit.

• If any material deficiencies are noted during the review, the results will be submitted to the school Principal and Treasurer as well as the Superintendent.

• Material deficiencies include, but are not limited to, employee embezzlement, misuse of school funds, or a severe circumvention of internal control procedures that put the school at risk of a material mismanagement of school funds.

Financial Review Conducted at the Central Office Level

• The Treasurer shall prepare and submit reports, which have been approved by the Principal with his/her signature, to the Finance Office concerning the status of each account maintained by the individual school by the 15th of the month for the prior month’s activity. The signed and/or initialed reports submitted to the Finance Office on a monthly basis shall include, but is not limited to the following:
  • Bank Reconciliation, Deposits in Transit, Outstanding Check List, Check Register Report, Receipts and Disbursements Report, Transfers, Journals Entries, and Cleared Checks Report
  • Signature stamps are not allowed on any reports

• The monthly financial reports, will be reviewed to ensure that all appropriate internal controls are being followed.

• Based on this information, the Finance Office will complete the Central Office Internal Review Form (AR-1). The results of this internal review will be submitted to both the Principal and the Treasurer.
Vance County Schools
Individual School Audit Procedure

Financial Review Conducted at the Individual School Level

- During the school year, the Finance Office will visit individual schools to perform an on-site audit review of the school’s financial operations.

- Audit reviews are subject to be performed without notice.

- The individual school audit review will be conducted using the Individual School Accounts Review Template (AR-2).

- The following is a sample of what will be audited during this financial review:

School Receipts:
  - Reference employee receipts back to Treasurer receipts to ensure both are in agreement
  - Verification that employee receipt dates are in proper range
  - Verification that all receipts are signed
  - Reference deposit slip back to Deposit Analysis
  - Verification of bank deposit timeliness
  - Verification that deposit slips are attached to deposit analysis
  - Verification that all checks are properly endorsed before deposit

School Disbursements:
  - Verification that all checks have two valid signatures
  - Verification that checks are supported by valid invoices / receipts
  - Verification that the invoice equals the check amount
  - Verification that the invoice has been approved by the Principal, marked received, stamped paid, date paid, marked check number paid, etc....

Bank Deposit / Bank Reconciliation:
  - Verification that school Principal has reviewed each page of the bank statement
  - Verification that all checks paid per the bank statement include valid signatures, are paid to valid payees, and are reasonable
  - Verification that bank reconciliations are available for all months
  - Verification that balance on Receipts and Disbursements report equals the bank statement

- The result of all audit reviews conducted at the school level will be shared with both the Principal and the Treasurer.

- Any deficiencies in financial reporting will be noted. Each school may be asked to submit a written response to each review detailing the steps that will be taken to correct any deficiencies.
# VANCE COUNTY SCHOOLS
RECEIPT BOOK INVENTORY LOG

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Assigned Book #</th>
<th>Beg/End Receipt #</th>
<th>Employee Signature</th>
<th>Date Issued</th>
<th>Date Returned</th>
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</table>
This report must be completed and submitted to the Treasurer along with the money receipted and the receipt book. The amount shown per employee receipts must equal amount reflected on this report.

School: 

Employee: 

Date: 

Assigned Receipt Book Number: 
Beginning Receipt Number: 
Ending Receipt Number: 

<table>
<thead>
<tr>
<th>Type of Receipts</th>
<th>Amount Collected</th>
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<tbody>
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</table>

Total Amount Collected - 

Employee's Signature
Treasurer's Signature
VANCE COUNTY SCHOOLS
TICKET INVENTORY LOG

Color: ______________

Sequence: From: ____________ To: ____________

<table>
<thead>
<tr>
<th>Date</th>
<th>Issued to:</th>
<th>Game/ Event</th>
<th>Sequence on Hand</th>
<th>Sequence Issued</th>
<th>Sequence Returned</th>
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<tbody>
<tr>
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<td>From</td>
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</tbody>
</table>
VANCE COUNTY SCHOOLS
TICKET SALES REPORT

School: ____________________________
Event: ____________________________
Event Date: ________________________

Ticket Checkout (pre-event)
Recevied the Following Tickets:

Color: ____________________________
Ending Ticket # ________ - Beginning Ticket # ________ +1 = ____________

Change Fund Received: $ ____________
Receipt of above tickets and change acknowledged:

__________________________________  ____________________________
Ticket Seller's Signature                Date

Settlement (post-event)
Color: ____________________________
Number of Tickets Received Above: ________ - a
Ending Ticket # ________ - Beginning Ticket # ________ +1 = ____________ - b

Tickets Sold (a - b): ____________ - c
Ticket Price: $ ____________
Ticket Revenue (c x d): $ ____________ - e

Settlement Reconciliation

<table>
<thead>
<tr>
<th>Treasurer's Count</th>
<th>Seller's Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Currency Turned In: $ ____________</td>
<td>$ ____________</td>
</tr>
<tr>
<td>Total Coins Turned In: $ ____________</td>
<td>$ ____________</td>
</tr>
<tr>
<td>Total Funds Turned In: $ ____________</td>
<td>$ ____________</td>
</tr>
<tr>
<td>Less Ticket Revenue (e above): $ ____________</td>
<td>$ ____________</td>
</tr>
<tr>
<td>Less Change Fund Returned: $ ____________</td>
<td>$ ____________</td>
</tr>
<tr>
<td>Difference Over/(Short): $ ____________</td>
<td>$ ____________</td>
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</tbody>
</table>

Receipt of settlement from seller acknowledged:

__________________________________  ____________________________
Ticket Seller's Signature                Treasurer's Signature

__________________________________  ____________________________
Receipt Number                Date
VANCE COUNTY SCHOOLS
CENTRAL OFFICE INTERNAL REVIEW FORM

School Name:  

Date of Review:  

<table>
<thead>
<tr>
<th>Run check register for one month</th>
<th>Yes</th>
<th>No</th>
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</thead>
<tbody>
<tr>
<td>Are all checks used in numerical order?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are checks in chronological order?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are any checks made payable to &quot;cash&quot;?</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Run receipt register for one month</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are all receipts used in numerical order?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are receipts in chronological order?</td>
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<tr>
<td>Are recorded journal entries reasonable?</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Run Deposit Audit Report for one month</th>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>Are deposits being made daily?</td>
<td></td>
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<td>Are computer dates to bank statement reasonable?</td>
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<table>
<thead>
<tr>
<th>Run Receipts and Disbursements Report</th>
<th>Yes</th>
<th>No</th>
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</thead>
<tbody>
<tr>
<td>Are there any negative account balances?</td>
<td></td>
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<tr>
<td>What is the reconciled cash balance?</td>
<td>$</td>
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<td>What is the balance in the general fund?</td>
<td>$</td>
<td>-</td>
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<tr>
<td>What is the balance in other unrestricted funds? (i.e. pictures, fundraisers, etc.)</td>
<td>$</td>
<td>-</td>
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Other Comments:

______________________________
Signature of Reviewer
VANCE COUNTY SCHOOLS
INDIVIDUAL SCHOOL ACCOUNTS REVIEW TEMPLATE

School: __________________________  Date: ______________
Principal: ________________________
Treasurer: ________________________

Receipts

Is there a log showing all employee receipt books issued, including the numbers included in each book?

Yes ______ No ______

Select 5 daily deposits

<table>
<thead>
<tr>
<th>Date</th>
<th>Received From</th>
<th>Amount</th>
<th>Employee Receipt #</th>
<th>Are dates in proper range?</th>
<th>Are employee receipts signed?</th>
<th>Are employee receipts coded?</th>
<th>Date</th>
<th>Deposited</th>
<th>Deposit slip = deposit analysis</th>
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Are deposit slips attached to deposit analysis?  Yes ______ No ______
Are personal checks cashed from school funds? Yes ______ No ______
Are checks properly endorsed before deposited? Yes ______ No ______
For voided receipts, are original receipt kept, marked void and stapled in the receipt book? Yes ______ No ______

__________________________________________
Signature of Reviewer
VANCE COUNTY SCHOOLS
INDIVIDUAL SCHOOL ACCOUNTS REVIEW TEMPLATE

School:  

Disbursements

Are checks used in numerical order?  Yes ________  No ________

Select 10 checks

<table>
<thead>
<tr>
<th>Check #</th>
<th>Payee</th>
<th>Date</th>
<th>Amount</th>
<th>Two signatures on check</th>
<th>Supported by invoice</th>
<th>Invoice = ck amount</th>
<th>Approved by principal</th>
<th>Marked received &amp; by whom</th>
<th>Stamped paid</th>
<th>Marked date paid</th>
<th>Marked ck # paid</th>
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Are signature stamps used?  Yes ________  No ________
Are all void checks entered in the system?  Yes ________  No ________
Are void checks marked VOID and bottom corner cut off?  Yes ________  No ________
Are blank checks ever signed?  Yes ________  No ________

________________________________________
Signature of Reviewer
VANCE COUNTY SCHOOLS
INDIVIDUAL SCHOOL ACCOUNTS REVIEW TEMPLATE

School: ______________________________

Are signed bank reconciliations for all months available for inspection? Yes ______ No ______
List any months missing: ________________________________________________________________

Are there any outstanding checks on bank reconciliation over 6 months old? Yes ______ No ______

Who opens the bank statement? __________________________________________________________

Does the balance on the Receipts and Disbursements report equal the bank reconciliation? Yes ______ No ______

Is all cash on hand kept in a secure place? Yes ______ No ______

Does the school have a petty cash or change fund on hand? Yes ______ No ______
If so, what is the amount? ______________________________________________________________

______________________________
Signature of Reviewer