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January 11, 2023

MANAGEMENT LETTER

Kentucky State Committee for School District Audits
Board of Education of the Pulaski County School District
Somerset, KY

In planning and performing our audit of the basic financial statements of the Pulaski County School District (the District) for the year ended June 30, 2021, we considered the District's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of matters we consider to be opportunities for strengthening internal controls and operating efficiencies. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. Comments included in the prior year management letter have been included in the memorandum, along with the current year status of each finding. A separate report dated January 11, 2023, contains our report on the District's internal control. This letter does not affect our report dated January 11, 2023, on the financial statements of the Pulaski County School District.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various District personnel, and the implementation of suggested procedures is currently being reviewed. We will be pleased to discuss these in further detail at your convenience, to perform additional study of these matters, or to assist you in implementing the recommendations.

This report is intended solely for the information and use of management, the members of the Pulaski County School District, others within the District, the Kentucky Department of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Tammy R. Patrick, CPA

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January 11, 2023

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS

Prior Year Recommendations – District

Current Year Recommendation – 2021-1 Inadequate Internal Controls And Lack Of Oversight And Monitoring Of Child Care Tuition Receipts

During the 2021 audit, it was noted that controls over the accounting for Child Care Fund tuition receipts at the individual schools were not adequate and that appropriate oversight and monitoring of this receipt process was not being monitored by the District. This lack of adequate controls and oversight and monitoring resulted in numerous deficiencies listed below:

- 1) One school did not turn in day care receipts for deposits or deposit documentation for deposits made for the entire fiscal year. According to documentation reviewed, it appears the school collected \$11,075 in receipts for which no documentation was provided to the finance department to enable the appropriate classification of the tuition receipts. A recap of the deposit tickets provided by the school during the audit indicates that deposits of \$4,920 were made leaving \$6,155 of tuition receipts unaccounted for.
- 2) One school turned in deposit tickets but failed to issue receipts for tuition monies received during the fiscal year.
- 3) None of the schools are batching pre-numbered receipts when they turn in the deposit tickets to the finance staff for reconciliation and processing in the accounting system.
- 4) None of the schools appear to be utilizing the Quickbooks program to process receipts and monitor or track tuition billings and accounts receivable for Child Care tuition due to a software issue. This issue also means reports cannot be generated by each school for the monthly reconciliation process and financial statement preparation.
- 5) Based on information provided by the schools, receipt documentation indicated that receipts issued by 5 of the individual schools were greater than the amount for the school on the annual financial report and that receipts issued by 3 of the individual schools were less than the amount for the school on the annual financial report and one school's deposited receipt amounts (as noted above in 1) were not reflected on the annual financial report. Unidentified child care tuition receipts are coded on the annual financial report as unclaimed. The fiscal year 2021 annual financial report reflected \$22,033 of unclaimed child care tuition receipts.
- 6) No monitoring of accounts receivable balances, billings or payments on accounts was being completed.

The District's current policies and procedures for Child Care Fund tuition receipts require (1) all payments be receipted in at the child care center, using Quickbooks program, (2) deposits to be taken to the bank by designated child care/school staff, (3) a copy of the deposit ticket and supporting documentation are to be provided to the finance department, (4) the finance staff then enters each deposit slip received into an excel spreadsheet with a breakdown by school (5) any NSF notices, debits, etc., are also entered into the spreadsheet (6) once the monthly bank statement is received by finance department staff, the monthly reconciliation of the excel spreadsheet to the bank statement is completed, and (7) the spreadsheet is then used to complete the journal entry for crediting monthly deposit amounts and any debits into MUNIS by school code.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Prior Year Recommendations – District (Continued)

Current Year Recommendation – 2021-1 Inadequate Internal Controls And Lack Of Oversight And Monitoring Of Child Care Tuition Receipts (Continued)

The District failed to develop adequate policies and procedures related to internal controls over the Child Care Tuition receipts and did not provide adequate oversight and monitoring over these processes.

Lack of oversight and monitoring of Child Care Tuition receipts by the District creates an environment where the accounting and reporting functions for these receipts go unchecked. This lack of oversight and monitoring can result in misappropriation of assets going undetected and/or inaccurate financial reporting to management.

Good internal controls are essential to assuring the accomplishment of goals and objectives of the District. They provide reliable financial reporting for management decisions. Good internal controls help ensure efficient and effective operations and protect employees and assets.

We recommend the District review their current policies and procedures related to internal controls for Child Care Fund tuition receipts to ensure they are adequate to ensure Child Care Fund tuition receipts are deposited and accounted for appropriately and that accounts receivable balances, billings and payments on account are tracked and monitored. We further recommend that internal controls be developed to ensure proper oversight and monitoring of this process is completed and appropriate documentation of these controls be maintained. These controls will ensure efficient and effective operations, protect employees and assets and allow for accurate financial reporting.

Management Response: Management shall implement online Quickbooks for all childcare centers. A training is scheduled next month to train all staff of proper procedures and protocol for record keeping and deposits.

Current Year Status and Recommendation

Issues regarding inadequate controls and lack of oversight noted during the 2022 audit are included in comments in the independent auditor's report.

Prior Year Recommendations – School Activity Funds (by School)

Burnside Elementary School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report was not filed timely and was not signed by the bookkeeper or principal. Redbook requires that the report be filed by July 25th and signed by both the bookkeeper and principal.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

SEGREGATION OF DUTIES

We also noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: enters invoices into the accounting system, prints checks, matches the invoices to checks, and mails the checks. Redbook requires the person that enters invoices and prints checks to be different from the person that matches invoices to checks and puts them in the mail.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was not a copy of the PTA insurance on file for the school year 2020-2021. Redbook requires that external support organizations provide proof of insurance annually to the school.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Prior Year Recommendations – School Activity Funds (Continued)

Burnside Elementary School

FUNDRAISERS

We noted that the school had receipts for Feud For Food, however there not a Fundraiser Approval Form (F-SA-2A) on file for this fundraiser. Therefore, we were unable to determine if this fundraiser was approved or if these funds were properly deposited into or expensed from the correct account.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

CREDIT CARDS

We noted that the school maintains several different cards based on an inquiry completed by the bookkeeper. However, there was not a Credit Card Sign In/Out Form (F-SA-13) presented to the auditor for any of these cards. Redbook requires that cards be checked in by the same or next business day. Therefore, we were unable to determine if the cards were returned timely.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

Eubank Elementary School

SEGREGATION OF DUTIES

We noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: collects money from student or parent, photocopies checks/records receipts, records revenue in the accounting system and takes the deposit to the bank. Redbook requires the person that photocopies checks/records receipts and records revenue in the accounting system to be different from the person that takes the deposit to the bank. In addition, Redbook requires that the bookkeeper not be the person who collects money directly from parents and students.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

We also noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: enters invoices into the accounting system, prints checks, matches the invoices to checks, and mails the checks. Redbook requires the person that enters invoices and prints checks to be different from the person that matches invoices to checks and puts them in the mail.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

Nancy Elementary School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report was not filed by July 25, 2021 and was not signed by the bookkeeper and the principal as required. In addition, the report shows a discrepancy between the beginning and ending balance on the General Ledger Financial statement. The difference appears to have been a recurring issue and based on CFO's response, she was unaware of this issue. Since the Annual Financial Report was not on file, the auditor obtained the Annual Financial Report from the CFO that was printed on 11/03/21.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Prior Year Recommendations – School Activity Funds (Continued)

Nancy Elementary School (Continued)

SEGREGATION OF DUTIES

We noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: photocopies checks/records receipts, records revenue in the accounting system and takes the deposit to the bank. Redbook requires the person that photocopies checks/records receipts and records revenue in the accounting system to be different from the person that takes the deposit to the bank.

We also noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: enters invoices into the accounting system, prints checks, matches the invoices to checks, and mails the checks. Redbook requires the person that enters invoices and prints checks to be different from the person that matches invoices to checks and puts them in the mail.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was not an Annual Financial Report filed timely for the school year 2020-2021. Redbook requires that external support organizations obtain an Annual Financial Report signed by the principal by the 25th of July.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

Oak Hill Elementary School

SEGREGATION OF DUTIES

We noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is collecting money from the students and parents. Redbook requires the person that collects money from parents and students to be different from the bookkeeper.

We also noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: enters invoices into the accounting system, prints checks, matches the invoices to checks, and mails the checks. Redbook requires the person that enters invoices and prints checks to be different from the person that matches invoices to checks and puts them in the mail.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was not an Annual Financial Report on filed timely for the school year 2020-2021. Redbook requires that external support organizations obtain an Annual Financial Report signed by the principal by the 25th of July.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Prior Year Recommendations – School Activity Funds (Continued)

Pulaski Elementary School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report was not filed by July 25, 2021 and was not signed by the bookkeeper and the principal as required. In addition, the report shows a discrepancy between the beginning and ending balance on the General Ledger Financial statement. The difference appears to have been a recurring issue and based on CFO's response, she was unaware of this issue. Since the Annual Financial Report was not on file, the auditor obtained the Annual Financial Report from the CFO that was printed on 11/03/21.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was not a copy of the PTA insurance, budget, and annual financial report on file for the school year 2020-2021. Redbook requires that external support organizations provide proof of insurance, approve a budget within the first 30 days of the school year or 30 days prior to of the first transaction of the group, and an annual report that must be submitted to the principal by July 25 for the preceding year.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

PURCHASE ORDER FORMS (CFJ)

We noted that check #10677, dated 03/25/2021, in the amount of \$102 for tournament fees did not have the principal's signature on Purchase Order Form (F-SA-7). In addition, check #10669, dated 01/28/21, in the amount of \$112 for tournament fees was not signed by the sponsor. Redbook requires that Purchase Order Forms be completed to their entirety and purchases be approved before purchases are made.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

Southern Elementary School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report was not filed by July 25, 2021 and was not signed by the bookkeeper and the principal as required. Redbook requires that the report be filed by July 25th and signed by both the bookkeeper and the principal.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

SEGREGATION OF DUTIES

We also noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: enters invoices into the accounting system, prints checks, matches the invoices to checks, and mails the checks. Redbook requires the person that enters invoices and prints checks to be different from the person that matches invoices to checks and puts them in the mail.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Prior Year Recommendations – School Activity Funds (Continued)

Southern Elementary School

CREDIT CARDS

We noted that on multiple occasions that a credit card was signed out for more than one business day at a time. The time ranged on numerous occasions from 2 days up to 18 days between signing the card out and back in. There was one occasion noted where there was no sign out or in date documented. Redbook requires that the card be checked by in the same or next business day.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

Shopville Elementary School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report was not filed by July 25, 2021 and was not signed by the bookkeeper and the principal as required. In addition, the report shows a discrepancy between the beginning and ending balance on the General Ledger Financial statement. The difference appears to have been a recurring issue and based on CFO's response, she was unaware of this issue. Since the Annual Financial Report was not on file, the auditor obtained the Annual Financial Report from the CFO that was printed on 11/03/21.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

SEGREGATION OF DUTIES

We noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: photocopies checks/records receipts, records revenue in the accounting system and takes the deposit to the bank. Redbook requires the person that photocopies checks/records receipts and records revenue in the accounting system to be different from the person that takes the deposit to the bank.

We also noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: enters invoices into the accounting system, prints checks, matches the invoices to checks, and mails the checks. Redbook requires the person that enters invoices and prints checks to be different from the person that matches invoices to checks and puts them in the mail.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

FUNDRAISERS

We noted that the school had receipts for t-shirts sales, however there not a Fundraiser Approval Form (F-SA-2A) on file for this fundraiser. Therefore, we were unable to determine if this fundraiser was approved or if these funds were properly deposited into or expensed from the correct account.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

CREDIT CARDS

We noted that the school maintains several credit cards based on an inquiry completed by the bookkeeper. However, there was not a Credit Card Sign In/Out Form (F-SA-13) presented to the auditor for any of these cards. Redbook requires that cards be checked in by the same or next business day. Therefore, we were unable to determine if the cards were returned timely.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Prior Year Recommendations – School Activity Funds (Continued)

Northern Middle School

SEGREGATION OF DUTIES

We noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: photocopies checks/records receipts, records revenue in the accounting system and takes the deposit to the bank. Redbook requires the person that photocopies checks/records receipts and records revenue in the accounting system to be different from the person that takes the deposit to the bank.

We also noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: enters invoices into the accounting system, prints checks, matches the invoices to checks, and mails the checks. Redbook requires the person that enters invoices and prints checks to be different from the person that matches invoices to checks and puts them in the mail.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

INVENTORY CONTROL WORKSHEET

We noted that the Inventory Control Worksheets (F-SA-5) are not being maintained as required by any sport that includes that were on file for concessions that activity which included football, girls basketball, boys basketball, boys soccer, girls soccer, volleyball, etc. Redbook requires inventory control worksheets to be completed on a monthly basis to document the flow of inventory.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

TICKET SALES

We noted during review of ticket sales that the Requisition and Report of Ticket Sales Form (F-SA-1) that was submitted for the softball game held on 03/31/21 that the signature of ticket taker and the person in charge were missing. In addition, the ending ticket stub was missing making it unclear whether all the money has been properly accounted for. The Requisition and Report of Ticket Sales Form (F-SA-1) for a boys' soccer game held on 04/13/21 was missing the signature of ticket taker and the person in charge. Redbook requires that these duties be segregated and the beginning and ending ticket stubs be retained.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

Southern Middle School

SEGREGATION OF DUTIES

We noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: photocopies checks/records receipts, records revenue in the accounting system and takes the deposit to the bank. Redbook requires the person that photocopies checks/records receipts and records revenue in the accounting system to be different from the person that takes the deposit to the bank.

We also noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: enters invoices into the accounting system, prints checks, matches the invoices to checks, and mails the checks. Redbook requires the person that enters invoices and prints checks to be different from the person that matches invoices to checks and puts them in the mail.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Prior Year Recommendations – School Activity Funds (Continued)

Southern Middle School

FUNDRAISERS

We noted that the school had receipts for a football booster fundraiser “Sponsor Strips” and another for Cheerleading Sponsorship Ads that did not have a Fundraiser Approval Form (F-SA-2A) on file. Therefore, we were unable to determine if this fundraiser was approved or if these funds were properly deposited into or expensed from the correct account.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

RECEIPTS

We noted that two Multiple Receipt Forms we tested were incomplete or not properly filled out. One Multiple Receipt Form was missing the date that the person remitted the money making it unknown whether the money was deposited timely in the manner required by Redbook. The other Multiple Receipt Form had the same person signing for all the names shown that remitted money. Redbook requires that the forms be completed in their entirety and people in 6th grade or above be the signatories designating that they remitted money.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

TICKET SALES

We noted during review of ticket sales that the Requisition and Report of Ticket Sales Form (F-SA-1) that was submitted for the basketball game held on 10/02/20 was missing the signature of the ticket taker. Redbook requires that two individuals work the gates (ticket seller and ticket taker) that sign the F-SA-1 form verifying accuracy.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

Pulaski High School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report was not filed by July 25, 2021 and was not signed by the bookkeeper and the principal as required. In addition, the report shows a discrepancy between the beginning and ending balance on the General Ledger Financial statement. The difference appears to have been a recurring issue and based on CFO’s response, she was unaware of this issue. Since the Annual Financial Report was not on file, the auditor obtained the Annual Financial Report from the CFO that was printed on 11/03/21.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Prior Year Recommendations – School Activity Funds (Continued)

Pulaski High School (Continued)

SEGREGATION OF DUTIES

We noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: photocopies checks/records receipts, records revenue in the accounting system and takes the deposit to the bank. Redbook requires the person that photocopies checks/records receipts and records revenue in the accounting system to be different from the person that takes the deposit to the bank.

We also noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: enters invoices into the accounting system, prints checks, matches the invoices to checks, and mails the checks. Redbook requires the person that enters invoices and prints checks to be different from the person that matches invoices to checks and puts them in the mail.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was not a copy of the annual financial report for the Football Booster Club on file for the school year 2020-2021. In addition, we requested the information for the Band Booster Club for the year and no documentation was remitted as of exit date. Redbook requires that external support organizations provide proof of insurance, approve a budget within the first 30 days of the school year or 30 days prior to of the first transaction of the group, and a annual report that must be submitted to the principal by July 25 for the preceding year, EIN be on file, and the current list of officers.

Current Year Status and Recommendation

Similar finding noted during the 2022 audit.

INVENTORY CONTROL WORKSHEET

We noted that the Inventory Control Worksheets (F-SA-5) are not being maintained as required by PIT STOP (store that sales soda, etc. within the school). Redbook requires inventory control worksheets to be completed on a monthly basis to document the flow of inventory.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

RECEIPTS

We noted that one Multiple Receipt Form was not properly filled out. The Multiple Receipt Form had the same person signing for several of the names shown that remitted money. Redbook requires that the forms be completed in their entirety and people in 6th grade or above be the signatories that designates that they remitted money.

Current Year Status and Recommendation

No similar issues noted during the 2022 audit.

Management Response: All school bookkeepers shall attend a Redbook training. Management shall meet with each bookkeeper to go over the comments given for each location.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Current Year Recommendations

Pulaski High School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report was not filed by July 25, 2022. Redbook requires the annual report to be filed by 25th July.

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was not a copy of the annual financial report for the Band Booster Club on file for the school year 2021-2022. There was what appeared to be a receipt/disbursement ledger submitted without any further supporting documentation such as bank statements, etc. In addition, there were no dates or signatures on the information provided. Redbook requires that external support organizations provide an annual report that must be submitted to the principal by July 25th for the preceding year.

TICKET SALES

We noted that the two ticket sales events tested were not properly completed and missing the required signatures.

Northern Middle School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report that was on file for the 2021-2022 fiscal year shows a discrepancy between the beginning and ending balance on the General Ledger Financial statement. The difference appears to have been a recurring issue and based on CFO's response, she was unaware of this issue. Also, we noted that the Annual Financial Report was not filed by July 25, 2022. Redbook requires year-end financial reports to be turned into the central office by July 25, 2022.

INVENTORY CONTROL WORKSHEET

We noted that the Inventory Control Worksheets (F-SA-5) are not being maintained as required by any sport that includes that were on file for concessions that activity which included football, girls basketball, boys basketball, boys soccer, girls soccer, volleyball, etc. Redbook requires inventory control worksheets to be completed on a monthly basis to document the flow of inventory.

TICKET SALES

We noted during review of ticket sales that the Requisition and Report of Ticket Sales Form (F-SA-1) that was submitted for the softball game held on 3/31/21 that the signature of ticket taker and the person in charge were missing. In addition, the ending ticket stub was missing making it unclear whether all the money has been properly accounted for. The Requisition and Report of Ticket Sales Form (F-SA-1) for a boys soccer game held on 4/13/21 was missing the the signature of ticket taker and the person in charge. Redbook requires that these duties be segregated and the beginning and ending ticket stubs be retained.

CREDIT CARDS

We noted that on one occasion that the credit card was not returned the next day and another occasion where there was no date and time when it/if was returned Redbook requires that the card be checked by in the same or next business day.

Southern Middle School

FUNDRAISERS

The fund raiser approval form for cheerleading was missing the sponsor's signature. In addition, cheerleading fundraisers may be considered school-wide fundraisers and require the approval of the board. The fundraiser active date was June 1, 2021, and to go through August 2022, however, the signature date of the principal wasn't until August 12, 2021. Fundraisers effective date should not be prior to the approval date. In addition, fundraisers are based on annual approval and should not be approved and permitted in another year without additional approval submissions. Finally, each fundraiser should be submitted separately and not as multiple fundraisers all at once.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Current Year Recommendations (Continued)

Southern Middle School (Continued)

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was not an Annual Financial Report on file for Baseball Boosters. Redbook requires that external support organizations provide an Annual Financial Report signed by the principal by the 25th of July.

Burnside Elementary School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report was not filed timely. Redbook requires that the report be filed by July 25th and signed by both the bookkeeper and principal.

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was not a copy of the PTA insurance on file for the school year 2020-2021. Redbook requires that external support organizations provide proof of insurance annually to the school.

FUNDRAISERS

Feud For Food was lacking board approval since it would be considered a school-wide fundraiser. Redbook requires school-wide fund raisers be approved by the board.

Eubank Elementary School

FUNDRAISERS

We noted that the school is not using the updated forms for the fundraiser approval forms. The updated forms require the signature of the sponsor in addition to the signature of the principal.

Nancy Elementary School

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was not a Annual Financial Report on file for the school year 2021-2022. Redbook requires that external support organizations obtain an Annual Financial Report signed by the principal by the 25th of July.

Northern Elementary School

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was an Annual Financial Report and Budget, however the reports were signed or dated and therefore it was underminable whether these reports were filed by the 25th of July. We recommend that all reports be signed and dated as required.

Oak Hill Elementary School

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there an Annual Financial Report on filed, however, the report did not contain the signatures of any member of the PTO, the principal, or dates and therefore it was underminable whether submitted timely. Redbook requires that external support organizations obtain an Annual Financial Report signed by the principal by the 25th of July.

DISBURSEMENTS

During testing it was noted that the school paid interest and late fee due to unpaid balance. Payments are required to be made within 30 days to prevent the payment of such fees and interest.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Current Year Recommendations (Continued)

Pulaski Elementary School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report was not filed by July 25, 2022, the signature of the principal was August 29, 2022. Redbook requires the annual financial report financial report be filed with the board by 25th July.

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was a copy of the PTA annual financial report on file for the school year 2021-2022, however, the form was not signed and dated by the principal. Without being signed and date by the principal, it is underminable whether the principal received it and when. Redbook requires that external support organizations provide an annual report that must be submitted to the principal by July 25th for the preceding year.

CREDIT CARDS

We noted that on numerous occasions that the credit cards were not returned the next day and numerous other occasions where there were no dates and times when the credit cards were returned, lost, or stolen. In addition, the forms where incomplete in other regards as well, such as missing the printed name of the person getting the card and failing to fill out the check in/out times. Redbook requires that the cards be checked by in the same or next business day and the forms should be properly completed to reduce the risks of fraud.

Southern Elementary School

CREDIT CARDS

We noted that on multiple occasions that a credit card was not properly signed back in and times were missing for all sign in/out dates. Redbook requires that the card be checked by in the same or next business day.

FUNDRAISERS

We noted that the school is not using the updated forms for the fundraiser approval forms. The updated forms require the signature of the sponsor in addition to the signature of the principal.

Shopville Elementary School

ANNUAL FINANCIAL REPORT

We noted that the Annual Financial Report was not filed by July 25, 2022. The date signed by the principal and bookkeeper was July 29, 2022. Redbook requires year-end financial reports to be turned into the central office by July 25, 2022.

SEGREGATION OF DUTIES

We noted during the review of the Internal Control Questionnaire, completed by the school's bookkeeper, that the bookkeeper is performing the following duties: enters invoices into the accounting system, prints checks, photocopies checks/records receipts, records revenue in the accounting system, and takes the deposit to the bank. Redbook requires adequate segregation of duties and therefore a review process should be documented by initialing all supporting documentation such as invoices, deposit slips, deposit receipts, bank statements, bank reconciliations, etc.

EXTERNAL SUPPORT/BOOSTER ORGANIZATION

We noted that there was an Annual Financial Report, however the report was not filed timely or signed by the principal. The report provided was dated August 22, 2022. Redbook requires that external support organizations provide an Annual Financial Report signed by the principal by the 25th of July.

MEMORANDUM – SUMMARY OF COMMENTS AND SUGGESTIONS (Continued)

Current Year Recommendations (Continued)

Management's Response:

Bookkeepers have been sent to a Redbook Training with the Kentucky Association of School Business Officials. They had the opportunity to attend a live training or an online training. Management will meet with the bookkeepers prior to year end to go over all deadlines.