

October 2016

Highlights

Internal Audit Report to the Board of Supervisors/School Board

Internal Audit conducted this review as part of our FY15 audit plan approved by the County Administrator and School Board Superintendent.

The audit objectives were to:

- Review non-payroll expenditures for compliance with policies and procedures.
- Test for split purchases and potential duplicate payments.
- Test travel, training, cell phones, and non-cash awards.
- Report results to the School Superintendent.

What We Recommend

We recommended internal control improvements over:

- Limiting the School Finance Director user account to an individual user.
- Performing verification of financial system user access on a bi-annual basis by School Administration.



For more information, please contact
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School Administrative Services

Expenditures

What We Found

Commendable Policies and Procedures

We commended School Administrative Services for following sound internal controls as all non-payroll expenditures tested were for legitimate County business, and there were no split purchases or duplicate payments.

Expenditures

Audit testing was performed for 412 non-payroll expenditures over nine School Administration component departments with minimal findings:

- One mileage reimbursement was turned in three months into the following fiscal year.
- One transaction with sales tax was paid, rather than claiming tax exempt status.

Financial System Access Security

School's financial activities are maintained in unique funds and accounts in the County's accounting system. County financial system access for school users is coordinated through the School Finance Department with the County Accounting Department's Support Team. We noted:

- Bi-annual financial system user access verification reports for Schools from the Accounting Department were not prepared between April 2010 and March 2015.
- The user access reports for Schools were not signed by a Department Head; the School Department Liaison had signed the reports.
- A system user account named "School Finance Director" was set up with access for two individuals. These individuals also had their own unique user IDs.

Action(s) Taken

Accounting has resumed sending the ONESolution User Financial Security Verification Reports to School Administration for bi-annual verification beginning March 2015.

Management concurred with 5 of 5 recommendations to be implemented by December 31, 2016.

We appreciate the cooperation received from management and staff while conducting this audit.

