

**Audit of**  
**Forest Hill Elementary School**

**May 14, 2004**

**Report 2004-5**



**MISSION STATEMENT**

**The School Board of Palm Beach County is committed to excellence in education and preparation of all our students with the knowledge, skills, and ethics required for responsible citizenship and productive employment.**

**Arthur C. Johnson, Ph.D.\*  
Superintendent of Schools**

**School Board Members**

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William C. Graham Vice Chair\*  
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\*Ex-Officio Audit Committee Members

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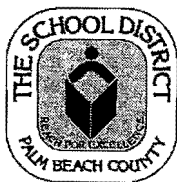
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**Audit of  
Forest Hill Elementary School  
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THE SCHOOL DISTRICT OF  
PALM BEACH COUNTY, FLORIDA

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LUNG CHIU, CPA  
DISTRICT AUDITOR

ARTHUR C. JOHNSON, Ph.D.  
SUPERINTENDENT

## MEMORANDUM

To: Honorable Chair and Members of the School Board  
Arthur C. Johnson, Ph.D., Superintendent of Schools  
Chair and Members of the Audit Committee

From: <sup>KLC</sup> Lung Chiu, District Auditor

Date: May 14, 2004

Subject: Audit of Forest Hill Elementary School

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### PURPOSE AND AUTHORITY

Pursuant to the *School District's Audit Plan of 2003-2004* and in response to the request of the school's departing principal, we have audited Forest Hill Elementary School's Internal Fund Accounts. The primary objectives of the audit were to 1) evaluate internal controls of the Internal Accounts, 2) determine the extent to which the school complied with *Department of Education's Rules, School Board Policies, District Directives, and Internal Accounts Manual*, and 3) provide a basis for the incoming principal to further improve management control and accountability of the above activities.

### SCOPE AND METHODOLOGY

The audit was performed in accordance with *Government Auditing Standards* and included a review of the Internal Fund records and related general ledgers. The audit was performed by Alonzo Peterson and Toni Waterman, CPA, on March 29 and 30, 2004. Draft findings were sent to the departing principal for review and comments. Management response is included in the Appendix. We appreciate the courtesy and cooperation extended to us by staff during the audit. The final draft report was presented to the Audit Committee at its May 14, 2004, meeting.

**CONCLUSIONS**

The audit produced the following findings.

1. **Collections Recorded In Wrong Account/Not Properly Documented.** Review of 25 sample Monies Collected Reports showed that 11 collections for various field trips or fundraisers were recorded in class or clubs accounts rather than a separate decimal account. Recording transactions in a separate decimal account will allow for easy analysis of transactions if the need arises.

Also, collections for the Safety Patrol trip to Washington, DC, yearbook advertisements, and three other fundraisers did not have supporting documentation as required by *Department of Education’s Financial and Program Cost Accounting and Reporting for Florida Schools Chapter 7, Section III 1.4(a)*.

*Principal’s Response: All collections for various field trips and fundraisers will be recorded in decimalized accounts rather than in class or club accounts. (Please see page 4.)*

2. **Disbursements.** Review of 40 sample disbursements identified the following exceptions:

Exceptions	# Of Requisitions	Total Dollar Amount
Membership renewal not accompanied by Accounts Payable’s approval	2	\$774.00
Check issued before check requisition completed	1	1,190.00
Requested amount did not agree with supporting documentation	3	560.41
Not properly completed with all the necessary information	2	36.00
Contract (PBSD1578) not on file	1	95.00
Employee reimbursement includes sales tax	2	131.21
No supporting documentation	8	1,793.23
PO amount doesn’t agree with check requisition or invoice amounts	1	734.64
Paid four days after due date.	1	419.04
Entire previous balance was not paid.	1	33.87
Champs activity supplies were charged to the SACC activities account.	1	35.47
<b>Total</b>	<b>23</b>	<b>\$5,802.84</b>

All internal accounts disbursements should comply with the requirements stipulated in *Chapter 5 of the Internal Accounts Manual*.

*Principal’s Response: Where possible, itemized exceptions have been corrected by internal accounts adjustment. When, not possible to correct by adjustment, proper procedures have been noted and will be followed in the future. (Please see page 4.)*

3. **SACC Payroll.** Our review of SACC payroll records revealed the following:

Pay Period	Timesheet Not Signed by Employee	Timesheet Not Agree with Payroll Report	Hours Paid for Time Not Worked	Total Amount Overpaid
08/16-08/31/2003			2 Hours	\$23.57
09/01-09/15/2003		1	2 Hours	\$23.57
09/16-09/30/2003	1			
11/01-11/15/2003	15			
12/16-12/31/2003	3			
<b>Totals</b>	<b>19</b>	<b>1</b>	<b>4 Hours</b>	<b>\$47.14</b>

*SACC Operational Manual*, page 3.10, requires that all time cards be signed by the employee and the supervisor; and timesheets must agree with payroll reports. Employees should sign their timesheets; and SACC Director should review payroll reports to ensure that employees are paid for the correct hours worked. Overpayments to employees should be recouped by the district.

*Principal's Response: Overpaid hours have been adjusted and recouped by payroll department; unsigned timesheets have been signed by employees. (Please see page 4.)*

– End of Report –

Principal's Response

## Forest Hill Elementary School

5555 Purdy Lane, West Palm Beach, FL 33415  
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MARY A. CHURCHILL, *Principal*  
ROBBIE PREEFER, *Assistant Principal*

MEMORANDUM

TO: Lung Chiu  
District Auditor

FROM: Jack Meeds  
Outgoing Principal

DATE: April 30, 2004

SUBJECT: Transition Audit of Forest Hill Elementary School

RECEIVED  
MAY 05 2004

DISTRICT AUDITOR

1. Collections recorded in wrong account/not properly documented.


Response: All collections for various field trips and fundraisers will be recorded in decimalized accounts rather than in class or club accounts.

2. Disbursements: All internal accounts disbursements should comply with the requirements stipulated in Chapter 5 of the Internal Accounts Manual.

Response: Where possible, itemized exceptions have been corrected by internal accounts adjustment. When, not possible to correct by adjustment, proper procedures have been noted and will be followed in the future.

3. SACC Payroll: Timesheet not signed by employee; timesheet not agreeing with payroll report.

Response: Overpaid hours have been adjusted and recouped by payroll department; unsigned timesheets have been signed by employees.

  
\_\_\_\_\_  
Jack Meeds, Outgoing Principal

*We earned an "A"!*

Source: Florida Department of Education  
June 2003 School Accountability Report