



AUDIT REPORT – NORTHEAST HAMILTON COMMUNITY SCHOOL DISTRICT

Audit Report Released. The State Auditor’s Office recently released a report on a special investigation of the Northeast Hamilton Community School District for the period August 1, 2013, through June 4, 2014.

Background. The audit was requested by district officials due to concerns identified with certain payments received from parents for student lunches collected by a former office secretary.

Findings. The Auditor’s Office identified \$755 of improper and unsupported credits to family lunch accounts and \$45 of undeposited collections. The \$692 of improper credits identified is comprised of \$452 posted to seven different family lunch accounts and \$240 posted to the office secretary’s family lunch account. The \$63 of unsupported credits identified is comprised of \$60 of cash payments and \$3 of voided transactions posted to the office secretary’s family lunch account.

Recommendations. The Auditor’s Office made the following recommendations to prevent improper practices:

- Segregate duties so that the same employee is not handling receipts, disbursements, and data input into the computer system.
- Prenumbered receipts should be issued at the time of collection to provide additional control over the proper collection and recording of receipts.
- Procedures should be established to reconcile the school district’s lunch account system to the school district’s accounting system on a routine basis.
- The school district should ensure sufficient supporting documentation is maintained for all collections with an independent person reconciling the amount deposited to total collections.

Additional Information. The complete audit is available on the Auditor’s [website](#).

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