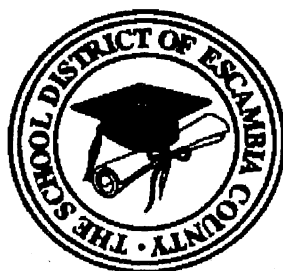


PROJECT # 2002-13

**SCHOOL DISTRICT OF ESCAMBIA COUNTY
INTERNAL AUDITING DEPARTMENT**



REVIEW OF

**ESCAMBIA HIGH COMMUNITY SCHOOL PROGRAM
DANCE/GYMNASTICS CLASSES**

REPORT ISSUED: MAY 21, 2002

**SCHOOL DISTRICT OF ESCAMBIA COUNTY
INTERNAL AUDITING DEPARTMENT**

**REVIEW OF
ESCAMBIA HIGH COMMUNITY SCHOOL PROGRAM
DANCE/GYMNASTICS CLASSES**

PROJECT # 2002-13

Accepted By Audit Planning and Review Committee:

May 20, 2002

Published:

May 21, 2002

Field Work Conducted By:

**Debra Russell
Auditor**

Report Issued By:

**Samuel Kolla
Director, Internal Auditing**

ESCAMBIA HIGH COMMUNITY SCHOOL PROGRAM DANCE/GYMNASTICS CLASS

REVIEW REPORT

Background

In order to better utilize schools as public facilities, the Florida Legislature created an act relating to community school programs offered at public schools when such facilities were not being used for the education of children in kindergarten through twelfth grade. Escambia County currently operates four such programs at high schools in Escambia County. The Escambia High Community School Program offers enrichment courses on campus and at different satellite sites. Dance/gymnastics courses (beginner and advanced) are offered at Bailey Middle School and piano lessons are offered at Helen Caro Elementary. Fees collected by community school personnel are deposited into the school's internal funds, are then remitted to the district and used to pay the costs of the program including compensation to the instructors. Contracts for instructors in these programs provide for compensation based on total fees collected. Therefore, instructors typically maintain personal records of participants, payments, etc.

Scope and Objectives

We have performed a review of the financial records of the Escambia High Community School dance/gymnastics classes for the period 07/01/99 – 12/31/00. We conducted our review in accordance with the standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors. Our work was performed at the request of the community school coordinator at Escambia High School based on an instructor's concern regarding payment for conducting the classes. This review is authorized in our Charter that permits us to respond to requests from the Superintendent and his staff.

The objectives of our review were to determine whether the financial activities of the dance/gymnastics classes were properly accounted for and to calculate the amount that was over or under paid to the instructor.

The scope of our review was limited due to the lack of adequate accounting records maintained by the coordinator. We reviewed monies collected forms (MCFs), student registrations, and the instructor's employment contract in files maintained by the school. We also reviewed the instructor's records that contained her estimation of the students enrolled and the payments that were made. Additional information was obtained through inquiry of the community school secretary, the school bookkeeper, the dance/gymnastics instructor, piano teacher, and confirmations sent to parents. Based on the results of our initial review, our scope was expanded to include a piano class taught at Helen Caro Elementary School.

**Escambia High Community School
Dance/Gymnastics Class Review Report
For The Period 07/01/99 – 12/31/00
May 20, 2002
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Conclusion

The documentation maintained by community school personnel was not adequate to support the financial activities of the dance/gymnastics classes. District procedures for collecting funds were not followed and the coordinator failed to provide minimum oversight and monitoring of the satellite classes we reviewed. In addition, the community school coordinator authorized an employee who was no longer assigned to the Escambia High Community School Program to continue to collect funds of that program. We also noted that the same employee calculated the instructor's payroll information for the classes we reviewed. These functions should have been handled by the current Escambia High Community School personnel and should have been monitored by the coordinator. Based on our review of available records, sufficient evidence existed to indicate that funds had been misappropriated.

The Charter for our department requires that if, during the course of our work, evidence of apparent violations of law or instances of malfeasance or misfeasance by an employee is detected we shall consult with the Superintendent and counsel for the Board. If the activity is deemed to be criminal in nature, the investigation shall be turned over to local law enforcement based on recommendations of the School Board counsel. We met with counsel for the Board and the Director of Human Resource Services and, based on advice given, referred the matter to the Escambia County Sheriff's Office.

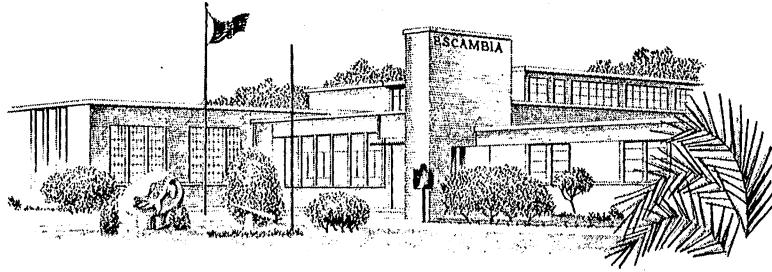
Please see the coordinator's response attached.

ESCAMBIA HIGH SCHOOL

1310 NORTH 65th AVENUE, PENSACOLA, FLORIDA 32506

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Principal: Delores Morris
Assistant Principals: Larry F. Reid, Melanie Touchstone
Community School: Jimmy Nichols

To: Samuel S Scallan

From: Jimmy Nichols 

Date: May 1, 2002

Subject: Community School Enrichment Review

The following is in response to the findings of the internal audit of the Escambia High Community School Dance/Gymnastics and Piano Enrichment programs.

Obviously, an error in judgment was made when my former secretary was assigned to collect and remit monies from some of the enrichment classes. She had previously done this assignment for 7 years prior to the audit as the Community School Secretary. Because of the discrepancies that occurred we have since reorganized our efforts in the collection and remittance of enrichment funds. These changes were made starting with the summer (June, 2001) session. They are as follows:

- 1) The enrichment teacher is solely responsible for collection and remittance of monies to the coordinator or secretary in a timely manner.
- 2) A copy of what is turned in is kept on file and a copy given to the teacher as well.
- 3) Monies collected will be turned in to the bookkeeper by the coordinator or secretary.
- 4) Each teacher is required to give us a class list each time a collection is turned in to us.
- 5) All monies must be turned in the same week that they are collected.

