



"Making a Positive Difference"

Office of Internal Auditing

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Memorandum

TO: Dawn Gunsley
Bellview Elementary PTA President

FROM: David J. Bryant, Director
Office of Internal Auditing

DATE: June 17, 2009

SUBJECT: Bellview Elementary PTA
Santa Shop – Cash Collections Recommendations

We conducted a review of the Bellview Elementary PTA records and cash collections procedures. Upon reviewing the procedures followed during the Santa Shop sales, we feel there are internal control weaknesses that need to be addressed. We offer the following recommendations:

- When practical only one person should be assigned to the cash register (keying in all sales and inputting all monies), therefore, being solely responsible.
- The cash register should be monitored at all times (or locked if no one is present).
- With **two** people present, a reconciliation form should be completed at the end of each sales period.
 - The cash register should be totaled out and the register tape collected. The total should be recorded on the reconciliation form.
 - The monies should be counted and recorded on the reconciliation form. The two amounts should agree (total sales vs. total cash collected).
 - The two people performing this reconciliation should sign the reconciliation form.
 - A deposit slip should be prepared with the total matching the sales total/cash collected total.
 - The monies and deposit slip should be presented to another person. The person receiving the money and deposit slip should verify the total cash and checks and all parties should be in agreement of the amount remitted. That person should then make the deposit.
 - The bank-validated deposit slip should be attached to the reconciliation form.
- Any monies not taken to the bank immediately should be kept in a secured locked place.
- At the end of the sales timeframe, reconciliation should take place. The sales from each day should be totaled to get a grand total of sales. All of the deposits relating to the Santa Shop should be totaled. These two totals should be compared and agreed.

The key behind these cash collection procedures is the money is always verified by two people. Whenever the money passes from one person to another, it is verified and both parties agree on the amount. These procedures are applicable to not only the Santa Shop, but to all circumstances where cash is collected.

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Please note that no amount of internal controls can prevent undesired acts when collusion occurs; that is when two or more individuals work together to circumvent internal controls.

If you have any questions, feel free to contact me. Thank you and all involved for their cooperation and time.

DJB/mak

c: Audit Committee
 Norm Ross, Deputy Superintendent
 Dr. Alan Scott, Assistant Superintendent for Human Resource Services
 Rebecca Hewitt, Principal – Bellview Elementary School
 Kathie Lasky - ECCPTA President