



"Making a Positive Difference"

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December 16, 2008

George Stone Technical Center Follow Up Industrial Division – Air Conditioning, Refrigeration, and Heating Technology

EXECUTIVE SUMMARY

We performed a program audit for George Stone Technical Center - Air Conditioning, Refrigeration, and Heating Technology for the period fiscal year ended June 30, 2007 and July 1 – October 17, 2007. Our report, dated January 22, 2008, included thirteen findings.

The International Standards for the Professional Practice of Internal Auditing requires that we perform a follow up to those findings. We conducted our follow up fieldwork on December 16, 2008 to determine if each finding had been addressed.

Overall, it appears that George Stone Technical Center – Air Conditioning, Refrigeration, and Heating Technology has provided the necessary training and implemented the procedures needed to comply with District policy and procedures and to strengthen internal controls for 12 of the 13 findings. There remains an opportunity to strengthen internal controls concerning:

- The process used to verify identity and ownership of vehicle (i.e. scanning of documents)

Additional follow-up work related to this issue was performed on January 20, 2009. Scanning issues still existed; however, the bookkeeper had hard copies of the evidence of verification process. The scanning issues were discussed with the Principal. It appears this finding has now been addressed.

DETAILED FOLLOW-UP RESULTS

Below lists detailed information concerning those findings (**bolded**), the recommendations made, management's action, and the results/conclusion (*italicized*) found from our follow up testing.

There was a general lack of awareness of District policy and procedures applicable to Air Conditioning, Refrigeration, and Heating Technology.

We recommended District policies and procedures applicable to Air Conditioning, Refrigeration, and Heating Technology be discussed with appropriate staff. The District should re-evaluate existing policies and procedures for any needed updates and/or revisions.

Management provided training to staff via a PowerPoint presentation concerning general policies and procedures as well as specific issues applicable to Air Conditioning, Refrigeration, and Heating Technology.

It appears instructors now understand and implement policies and procedures.

Training Job Orders were not issued consistently.

We recommended the Principal review George Stone's Faculty Handbook for guidance on the proper methods for the receiving of items to be serviced and to instruct school staff on the correct procedures for receipt of projects and completion of Training Job Order.

Management provided training to staff to ensure that all projects have a Training Job Order.

It appears all projects are now issued a Training Job Order.

Training Job Orders were not properly completed.

We recommended the following:

- Instruct school staff on the correct procedures for receipt of projects and completion of the Training Job Order, specifically having the customer sign the waiver section of the form
- The instructor provide a more thorough description of service requested
- Verification of customer

Management provided training to staff including proper completion/requirements of Training Job Orders. Completion/requirements incorporated recommendations to have customers read and sign the waiver on the Training Job Order, include sufficient description of training job service, and verification of the customer requesting service.

It appears instructors now understand and implement policies and procedures regarding proper completion/requirements of Training Job Orders.

Inconsistencies in Training Job Order charges (specifically service fee) existed.

We recommended the Principal review George Stone's Faculty Handbook for guidance on Training Job Order charges and instruct school staff on the correct procedures for determination of Training Job Order charges.

Management provided training to staff concerning determining proper charges of Training Job Orders. This training included an example Job Training Order. Additionally, the Faculty Handbook was reviewed with all staff members to ensure that all Job Training Orders are assessed the correct charge. Staff was clearly informed that donations were inappropriate as a replacement for the service fee.

It appears Training Job Orders now include the proper charges and are consistent.

The individual requesting service was not verified to be a student or School Board employee.

We recommended the District consider implementing the following practices when issuing the Training Job Order:

- Verify the customer is either a George Stone student or District employee. If the customer is a non-profit agency, obtain required proper administrative approval.
- Include the customer's District badge number and/or last four-digits of his/her social security number on the Training Job Order.

Management provided training to staff including instruction that employee or student verification would take place prior to issuing a Training Job Order by either employee ID badge or student look-up in TERMS. In addition, management purchased a high-speed scanner to scan the Training Job Order, vehicle registration, employee ID badge or student driver licenses. The scanning of the documents takes place as the customer receives the Job Training Order. The scanned files are located in the network “shared folder” with a naming convention that allows for look up by date, owner or training job order number.

It was found that the scanner did not always work, scanning was not performed consistently, and labeling of the scanned items was not consistent. These scanning issues were discussed with GSTC IT personnel and the Principal.

Funds were collected by instructor.

We recommended the Principal review George Stone's Faculty Handbook for guidance on the proper methods for receiving of monies and instruct school staff of policy requiring all monies be remitted to the Cashier's office/bookkeeper directly by the customer.

Management provided training to staff including proper payment of Training Job Orders. In addition, the Faculty Handbook was reviewed with all staff members to ensure that all instructors had a complete understanding that the bookkeeper (or Cashier's office) was the only person that should receive payment and issue the appropriate receipt for Training Job Orders.

It appears the bookkeeper/cashier now receives payment directly from the customer and issues the appropriate receipt for Training Job Orders.

Monies Collected Forms were not properly completed.

We recommended the customer sign the MCF indicating they were present while the bookkeeper counted and verified the funds. The bookkeeper would then countersign the MCF acknowledging receipt of the funds and correctness of count. The yellow copy of the MCF would be given to the instructor for his files.

Management provided training to staff including proper completion of Monies Collected Forms as it relates to the customer signing the MCF.

It appears customers are now signing the MCF when remitting payment to the bookkeeper/cashier.

Training Job Order number was not consistently listed on Monies Collected Forms.

We recommended the Training Job Order number be listed on all associated MCFs.

Management provided training to staff including consistently listing the Training Job Order number on the Monies Collected Forms.

It appears the Training Job Order number is now being listed consistently on associated MCFs.

There was no evidence of student assigned to job.

We recommended the student(s) assigned to a specific job be listed on the Training Job Order. This would provide support of a student's required hours and assist in the instructional process should additional service be required.

Management provided training to staff to ensure that students who were assigned to the job be listed on the Training Job Order.

It appears students assigned to the job are now being listed on the Training Job Order.

There was no evidence of service performed by student.

We recommended the student(s) sign the Training Job Order to indicate work performed and promote accountability.

Management provided training to staff to ensure that students who actually performed the work be listed on the Training Job Order.

Although students are not signing the Training Job Order to indicate work performed, students are now listed indicating both assignment and work performed.

There was no evidence indicating instructor's review and approval of service performed.

We recommended the instructor indicate the work performed has been reviewed and is satisfactorily completed by initialing or signing the Training Job Order.

Management provided training to staff including instructors signing the Training Job Orders indicating that the work performed by students was completed satisfactorily. Additionally, the George Stone Curriculum Coordinator was instructed to review the format, layout, design and wording of the Training Job Order to comply with all audit recommendations and District policies.

It appears instructors are now indicating work performed has been reviewed and is satisfactorily completed as evidenced by initialing or signing the Training Job Order.

Customer did not review a list of parts used to confirm they coincide with the agreed-upon services.

We recommended the customer verify parts listed on the Training Job Order. The customer should initial or sign the Training Job Order to indicate the parts coincide with the services rendered. This would serve as a third-party confirmation that the parts ordered were applied to a specific job order.

Management provided training to staff including the requirement of having the customer initial the complete and detailed parts list on the Training Job Order.

It appears customers are now reviewing the parts used for their service as evidenced by their initials/signature on the Training Job Order.

Customer did not receive a copy of the Training Job Order.

We recommended the customer receive a copy of the Training Job Order. This would allow the customer to review the service performed on his/her air conditioning, refrigeration, and/or heating equipment and the amount(s) charged.

Management provided training to staff concerning proper distribution of the carbonless copies of the Training Job Orders including the requirement of having the customer receive one copy upon final payment at the completion of the service.

It appears customers are now receiving the yellow copy of the Training Job Order upon final payment.



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