

# Sample Audit Recommendations

## Sample PTA Summary of Audit Findings 2017-2018 School Year

July 1, 2017 - June 30, 2018

### Warrants without proper supporting documentation:

- There were warrants provided as supporting documentation for each expenditure made during the year under audit. However, most warrants (all but 6 warrants) did not contain a second approval signature from a PTA officer. In several cases, the only signature provided was the Secretary's - there was no approval from the President or designated officer if the President was named as the payee.
- The following warrants did not include an invoice or receipts as supporting documentation:

| Check # | Payee                | Amount    | Comments                                       |
|---------|----------------------|-----------|--|
| 490     | xxx                  | \$ 800.00 |  |
| 492     | xxx                  | 9,284.50  |  |
| 526     | Renaissance Learning | 1,703.28  |  |
| 541     | Myers-Stevens        | 156.80    |  |
| 546     | Easton Enterprises   | 161.63    | Print-out of items ordered only; no invoice    |
| 547     | xxx                  | 300.00    |  |
| 556     | xxx                  | 49.89     | \$4 tip not included in amount reimbursed      |
| 559     | xxx                  | 70.00     | Only \$11.98 receipts included as support      |
| 560     | xxx                  | 500.00    | e-mail from Deanna Garcia only support (below) |
| 578     | Disneyland           | 450.00    | Receipt was lost                               |

- The following warrants did not include any approval signatures:
  - Check #498 - AAA
  - Check #513 - Carousel Graphics

### Checks without proper signatures:

- The following five checks did not contain a valid second signature as required (all were signed only by AAA, Treasurer: #505, 513, 514, 517, 528).

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**Other Findings (disbursements):**

- Check #514: invoice was for \$2 more than amount paid.
- Check #517: invoice was for \$1,210.00; amount paid was \$1,220.00.
- Check #520: it appears that duplicate amounts were paid to Renaissance Learning (paid \$173.27, but already paid \$75.32 per check #502. This invoice was for only \$106.03.
- Check #540: a handwritten receipt is attached for this item, but it is not stamped with any vendor information to verify payee.
- Check #545: invoice amount does not agree to amount paid.
- Check #560: only support was an e-mail from AAA suggesting that a small group of Board members had approved an emergency motion via phone to give PTA funds for supplies. No receipts or invoices, requests from ASB, etc. were included.
- Check #581: only support is an e-mail from AAA requesting that refund for 8th grade activities be made on basis of her knowing the parent. No written request or signed statement requesting a refund was included from the parent. (Make sure this does not violate the PTA refund policy for 8th-grade activities.)
- Check #586: amount of invoices totals \$356.88, but paid only \$338.91.

**Check #519 \$129.90:** this check was for a gift for the President. The PTA needs to ensure that this expenditure is authorized and allowable per the bylaws. Recommendation: PTA funds should never be used for gifts to Board members, Board dinners, or for other personal reasons.

**Commingling of Personal Purchases With PTA Purchases:**

The following checks included receipts for which non-PTA items were purchased and were commingled with PTA purchases. While it does not appear that any reimbursement was made for items not properly purchased for the PTA, it is not acceptable to commingle personal and PTA items and combine them on a single receipt. There must be separate receipts that only relate to PTA purchases. In addition, in some of these items, the sales tax was either not calculated correctly, or was not included at all. Although amounts are not material, some of the amounts are not correct, and if separate receipts were mandatory, this issue would not have occurred. Checks with commingled amounts:

- Check #543
- Check #554
- Check #557
- Check #571

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**Deposits Without Proper Supporting Documentation:**

- While cash count sheets were provided, there was no supporting documentation (i.e., order forms, summary of items sold, etc.) provided for any cash receipts received during the year under audit. Support (or a statement indicating what items were for) should be attached to the cash count sheets as back-up.
- Several cash count sheets did not contain a second signature indicating the count was verified by a second person or PTA officer. All cash counts must be verified by a second person and preferable signed/verified by the Treasurer once the cash is turned over to her.
- Several deposits (19 in September; 9 in October) were listed in the check register as "unknown deposits". There must be back-up and a valid description for every deposit made on behalf of the PTA.