

# Internal Audit FAQ's

## *Monetary Transmittal Form (MTF)*

**Q: Why must an MTF be completed in its entirety, including all columns, and signed by the MTF originator and bookkeeper?**

A: All columns of the MTF must be completed in its entirety to assist the bookkeeper in posting funds to their proper funds within the accounting records. The form also provides an audit trail to substantiate from whom funds were received in cases of loss, theft or misappropriation. The MTF originator's signature provides record of who completed the form and the bookkeeper's signature verifies that funds were received as stated on the form.

## *Principal Sponsored Activities (PSA)*

**Q: What is Principal Sponsored Activities (PSA) and how is it funded?**

A: Principal Sponsored Activities often called PSA is a restricted account in the Student Activity Fund whose primary usage is for principals to fund staff related expenses (i.e. food, gifts, flowers, etc.) The account is funded in the following ways:

- ✓ 100% of vending from machines located in the staff lounge
- ✓ 10% of vending commission from student-accessed machines up to the first \$50K, 2% of amount exceeding \$50K
- ✓ 10% of school-wide fundraiser profits, including picture commission
- ✓ Donations accompanied by a donor letter that specifically states that the donation will be used to fund staff related expenditures such as food, gifts, flowers, etc.

## *Solvent/Insolvent*

**Q: How do I determine my solvent/insolvent status?**

A: Using the Supplemental Financial Form – Total Cash Balance (Line 1) minus Total Unrestricted Items (Line 2). If the Total Unrestricted Cash (Line 2) is more than the Total Cash Balance (Line 1), then you are insolvent.

# Internal Audit FAQ's

## *Donated Funds*

**Q: What is the amount of donated funds a school can accept?**

A: Donated funds up to \$5,000.00. Funds over \$5,000.00 have to be sent to the Board of Education (BOE) to be accessed through a budget string code.

## *Grant Funds*

**Q: What is the amount of grant funds I can retain in my Student Activity Fund (SAF)?**

A: All grant funds, no matter the amount, have to be sent to the BOE to be accessed through a budget string code.

## *Unpaid Bills*

**Q: What are Unpaid Bills and how do I record them on the Supplemental Financial Information Form?**

A: Unpaid Bills that have not been paid by the end of the month (even if paid before the next month's reconciliation). Unpaid Bills in unrestricted accounts should **always** be included on the Supplemental Form. However, only record bills from restricted accounts when there is not enough money in the account to cover the bill.

## *Prior Year Carryover*

**Q: What can PY Carryover be used for?**

A: Prior Year Carryover can be used to offset negatives in the unrestricted area only.

# Internal Audit FAQ's

## *Financial Reporting*

**Q: How often should schools prepare financial reports?**

A: Schools are required to prepare financial reports monthly by the 15<sup>th</sup> of each month. These reports are required to be reviewed by the principal and initialed to evidence review. School financial reports are due to be submitted quarterly to Internal Audit.

## *School Funds Expenditure Form*

**Q: Why is it necessary for the principal to sign the School Funds Expenditure form twice?**

A: The principal's signature in the "Request & Pre-Approval" section is required to show that the requestor has been authorized to make the purchase. Staff may not make school purchases without authorization. The principal's signature in the "Payment Information" section is required to indicate review of the prepared check and supporting documentation. The principal should sign this section after matching the prepared check to the request and finally signing the school check for issue.

## *Public Property Audit*

**Q: Should the 'In-Use Inventory Equipment Receiving Report' (Self Insurance Form) be used even when receiving equipment from another department?**

A: Yes. This form should be completed and sent to the Fixed Assets Office whenever new equipment is received. Do not assume that the issuing department has completed the paperwork. An electronic copy of the 'In-Use Inventory Equipment Receiving Report' can be found on the PGCPs website under 'Employees', in the middle column.

# Internal Audit FAQ's

## *Material Transfer Form*

**Q: Who should complete the 'Material Transfer Form' when equipment is moved from one PGCPS location to another?**

**A:** An authorized person at the location where the equipment is currently housed should complete this form. A copy should be kept at the location for future reference and the duplicates should accompany the equipment. Do not allow any equipment to be removed from your building/office without this form having been completed. It is important that this form is completely filled-out to include; manufacturer, model, and serial number.