

Detroit Public Schools
Office of the Auditor General



**FINANCIAL RELATED AUDIT
FOLLOW UP
OF
COMMUNICATION MEDIA ARTS
HIGH SCHOOL
School Year 2010-11**

REPORT NO: 11-015

REPORT DATE: October 31, 2011

**COMMUNICATION MEDIA ARTS HIGH SCHOOL
FINANCIAL AUDIT FOLLOW-UP REPORT
REPORT NO: (11 - 015)**

Audit Objectives

The objective of the follow-up audit was to determine if corrective actions have been taken to address significant findings in the June 30, 2009 audit report.

Scope & Methodology

The audit scope covered the 2010-2011 school year-ending June 30, 2011. Inquires were made with the Principal and Bookkeeper to obtain an understanding of the actions taken to remediate the risk associated with the prior audit findings. Additionally, audit tests were performed to assess the effectiveness of the corrective actions and internal controls.

Background

School Profile

Communication Media Arts High School (CMA) has one bank account: a checking account maintained at First Independence Bank. General School Funds at CMA include, student activities, fundraising, local grants and vending machines. Sources of District Fund Revenues include Food Service (i.e., lunchroom) and athletics.

Prior Audit

In 2009 financial audits were conducted at all Detroit Public Schools (DPS) to determine the level of compliance with DPS's policies and procedures. The audit covered cash receipts, cash disbursements, bank reconciliation and reporting.

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Previous Audit Finding(s)

Previous Audit Finding(s)	Corrective Action Taken	Corrective Action Partially Implemented (See Finding #1)	Corrective Action Not Taken / Repeat Finding (See Finding #1)
Two checks were issued without a second authorized signer.	√		
Deposit Tickets were not used to deposit funds for July 2008 through November 2008.	√		

Management implemented a policy which requires two signatures on all checks. Requiring two signatures to authorize a check provides a check and balance to ensure the propriety of the disbursement.

A bank deposit ticket is required to be completed for all Deposits. The deposit tickets are used to summarize the denominations of bills, coin and checks and provide an audit trail or reference to the individual transactions included in the deposit.

Audit Conclusion

Based on our review of documentation maintained at the school, Communication Media Arts High School implemented corrective actions to address all prior audit findings.

Management Response

A response from management is not required:

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Our audit was performed in accordance with U.S. General Accounting Office Government Auditing Standards and Standards of the Institute of Internal Auditors.

This report is intended solely for management and should not be used for any other purpose. This restriction is not intended to limit the distribution of the report which is a matter of public record

A handwritten signature in blue ink, appearing to read 'Odell W. Bailey', is positioned above the printed name.

Odell W. Bailey, CIA
Auditor General