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# *Audit Session*

*Auditing in LMBR*

*August 2017*

*Mark Sueli – Principal Auditor Newcastle*

*Peter Hines – Principal Auditor Warilla*

*Audit Directorate*

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# THIS SESSION

- **School Audit Plan**
  - **School Audit Process**
  - **Common Audit Findings & Issues**
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# School Audit Plan-

## How school audits are planned

Risk Approach based on :

- Data driven Planning through continuous review of SAP data
  - Date of last audit
  - Changes to Principal or SAM
  - Requests/ special factors
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# School Audit Process

- On Site School Audits
  - Continuous Central Auditing
  - Direct communication to Schools from CAATs continuous review
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# Current School Audit Modules

- Previous Audit Findings
- General Journals
- Accountable Resources
- Procurement
- Student Attendance
- Child Protection
- Receipting & Banking
- Budgeting & Financial Position
- Staff Leave
- WH&S
- GST



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## Common Audit Findings

- Ensure that recommendations from previous audit have been implemented



# Receipting and Banking

- Check of Banking is an independent check to verify all collections have been banked by confirming EBS4 Banking reports with the deposit transaction (ZS) on the GL Account Line Item Display G/L View report from SAP Finance. The check of banking should be undertaken on a weekly basis as a minimum. Utilise the Receipting and Banking Check Coversheet available in FISH to reconcile and certify check of banking.
- EBS4 Cancelled Receipt Report should be attached with every banking for review regardless of Nil Balance. New receipt number and reason for cancellation should be recorded.
- The Cancelled and Adjusted Fees report must be generated daily for review and certification by the principal or delegated officer regardless of Nil Balance.



## Receipting & Banking Cont'd

- PCI Compliance - Customer credit/debit card data must never be written down or stored. The storing of card details (electronically and/or as a written record) violates the department's compliance conditions under the PCI DSS regulatory program.
- Under no circumstances should schools request or use credit/debit card details provided via email for payment of the provision of goods or services. If provided, you must not use them for any purpose and must immediately securely destroy these details.
- Permission note slips should not ask for credit card details. The receipt number from parent online payment should be requested.





# Assets & Equipment - Stocktake

- Undertake Annually
- The system generated stocktake register used to record the results of the stocktake must be signed by the principal and retained for audit verification
- The results of the stocktake are to be entered onto the Stocktake certificate (Refer to 9.7 of FISH). Certified Stocktake certificate to be forwarded to [sfs.unit@det.nsw.edu.au](mailto:sfs.unit@det.nsw.edu.au)



# Assets & Equipment Cont'd

- Write off of Assets & Equipment under MO25 Delegation is <\$10k for Principals. Write off >\$10k should be formally authorised by the Director.
- Purchased Asset & Equipment items should be recorded in SAP Asset & Equipment Register including value/ cost of item and acquisition date prior to distribution in the school.



# Journals

- Employee Level Salary Report includes permanent staff that are allocated against funded programs e.g. Integration & LAST Teacher.
- Journals should be processed for permanent salaries that are allocated against funded programs.

# Journals Cont'd

- Journals should be processed to clear Sundry Tax Invoice Direct Debit.
- Uncleared amounts at year end appear as Employee Related Costs in the AFS.

106037	Other Staff and Contractor Costs	(122,438)
500026	Contractors	(1,440)
500030	Schools Direct Debit	(121,578)

3(a)	Employee Related	8,145,229	7,724,051
	Salaries Teaching	6,789,415	6,531,867
	Salaries Non Teaching	1,233,376	1,187,675
	Other Staff and Contractor Costs	122,438	4,509