

Los Compadres de Escuela Longfellow

Audit Report

May 27, 2014

Introduction

The Los Compadres de Escuela Longfellow (Los Compadres), a nonprofit public benefit corporation organized as a public and charitable purposes was established in 2007. According to their Articles of Incorporation, "The specific purpose of this organization is to support the students, staff and administration of Escuela Longfellow in fundraising efforts encouraging capital improvements and infrastructure development through fundraising endeavors targeting alumni and corporate sponsored activities outside the campus."

We reviewed the financial activities of the Los Compadres for the period August 1, 2012 through February 28, 2014 at the request of the principal.

From 8/1/2012 to 2/28/2014, the Los Compadres deposited \$191,483.01 and withdrew \$153,597.39. As of 2/28/2014, the checking and savings bank accounts of the Los Compadres had a balance of \$61,382.53 and 46,872.93 respectively and a fund balance of \$108,255.46. Of the total fund balance, \$66,975.31 is in restricted funds. (See Schedule I)

Audit Scope and Objectives

The scope of this audit included a review of all available documents related to the financial activities of the Los Compadres from August 1, 2012 through February 28, 2014 to determine the following:

- The adequacy and effectiveness of the internal control system.
- The proceeds from fundraising activities are properly accounted for.
- The expenditures are authorized and have adequate supporting documentation.

Audit Findings Summary

1. A district employee was paid a total of \$590.00 directly by the Los Compadres instead of through the district's payroll system.


Conclusion

Based on the results of the review of available documents, we determined that the Los Compadres books were in order.

We appreciate the courtesies and cooperation extended by the Los Compadres' officers during the examination.



Ines G. Abitria
Operations Auditor



W. Stephen Carr
Director, Office of Internal Audit

Audit Findings and Recommendations

1. A district employee was paid a total of \$590.00 directly by the Los Compadres instead of through the district's payroll system.

A custodian at Longfellow School was paid by the Los Compadres directly instead of processing payment through the district's payroll system as follows:

Date	Check No.	Amount
09/10/2012	1819	\$200.00
04/25/2013	1957	150.00
09/13/2013	2060	240.00
	Total	\$590.00

Recommendation:

District employees are to be paid through the district's payroll system. Los Compadres is now aware that district employees are to be paid through the district's payroll system.

Los Compadres de Nuestra Señora Longfellow
 Report of Restricted Funds
 As of 2/28/14

Savings/Obligations	Used	
Upper Field	9441.52	Upper Field Savings from 08/09
	2897.03	Upper Field 09/10 = 40% of Jogathon Total (\$7242.58)
	4497.77	Upper Field 10/11 = 30% of 14992.59
	6370.71	Upper Field 11/12 = 30% of 21235.71
	5039.67	Upper Field 12/13 = 30% of 16798.91 (net)
	10000.00	Rokenbok Grant 2/2012
	10000.00	Rokenbok Grant 9/2012 (AG match)
	10000.00	Rokenbok Grant 10/2013 (AG match)
	80.00	Upper Field student lemonade stand
Total Upper Field	58326.70	
Lowes Grant	508.71	4975 (grant)- 4130.17 (2012/13 year)-240.00 (9/13/13)- 96.12 (10/21/13) = 508.71
Orca Grant	767.07	For Multimedia Expenses
Rokenbok Grant	6500.00	For sound booth and other campus improvements
Eco Club	500.00	
Hope Fund	0.00	236.00 \$236 Money raised by students for Longfellow families in need
PLAY Program Tile Funds	372.83	6450.00 \$6,822.83 To be used towards 2013/14 expenses
Total Obligations:	66975.31	

Checking Account	61382.53
Savings Account	46872.93
	<u>108255.46</u>
Obligations/Restricted Funds	-66975.31
Bank Account Cushion	-10000.00
Funds Available	<u>31280.15</u>