

UNION-ENDICOTT CORRECTIVE ACTION PLAN

Internal Audit – June 30, 2021

FINDING Food Service	POSSIBLE CORRECTIVE ACTION (RECOMMENDATION)	CORRECTIVE ACTION IMPLEMENTATION PLAN
<p>1. <u>In reviewing the procedures used in recording the vending sales, we noted no physical inventory is being taken for any of the vending machines thus preventing a more accurate reconciliation of products sold.</u></p> <p>2. <u>When examining the procedures used for recording vending machine sales, we noted that one individual handles the restocking, meter reading, recording o the sales, and preparing the deposit slip. The cash collected is double counted with another individual.</u></p>	<p>1. To prevent misappropriation of product, we recommend that the daily or weekly collection sheets incorporate the use of physical item count to later verify the money collected. A physical inventory should be taken at the time the machine is ready to be filled. By using a beginning and ending inventory amount the number of products sold can also be accounted for.</p> <p>2. To maintain proper internal controls, one individual should not be performing all the duties. We recommend that the collection and the counting of the money be performed by two individuals simultaneously with each signing off on a count sheet. We also recommend that the bank deposit be made by another individual. As an alternative, different staff can be rotated on a weekly basis to perform the vending duties. Also, a cumulative reading should be taken by an independent person at the beginning and ending of the school yea, so that the total sales can be calculated and compared to the amount recorded in the general ledger. This particular type of reading cannot be reset, therefore, preventing any type of tampering with the readings.</p>	<p>1. Food Services will begin bi-weekly physical inventory during the fill and deposit process. Based on student usage, Food Services will move to weekly physical inventory. The staff member will take inventory count on a paper form which will be kept in the Food Service office. Implementation by September 1, 2021</p> <p>2. Food services will implement a process in which the department secretary will assist the food service supervisor for the collection and counting of the vending funds. This will be recorded on a count sheet and both individuals will sign off. The head cashier will perform the bank deposit. The cumulative reading will involve the food services supervisor and one other individual to get a baseline reading of sales and end of year sales. Implementation by September 1, 2021</p>
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