

## Parish Internal Control Assessments

### Cafeteria

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**Perform the following work program if cafeteria revenue is greater than ten percent of total school revenue:**

- 1) Obtain a copy of the ledger and financial report.
  - a) Verify that cafeteria operations are accurately reflected in parish/school financial reports.
  - b) Verify that the cafeteria program is included in the parish/school budgeting process
- 2) Obtain an understanding of and document the revenue cycle of the cafeteria program.
  - a) Verify that receipts are issued for payments received.
  - b) Verify that funds received are deposited intact.
  - c) Verify that funds deposited are accurately posted to individual family/student records.
  - d) Verify that amounts posted to the general ledger agree with amounts posted to individual family/student records.
- 3) If a separate bank account is maintained:
  - a) Make a recommendation to consolidate it into the main parish operating account
  - b) Obtain the bank reconciliation and agree to underlying documentation
  - c) Test disbursements from the account in accordance with the disbursement audit program.
  - d) Verify that proper segregation of duties exists between check preparation, check signing, and posting to the general ledger.

**Note:** Sample sizes should be based on the number of times the control occurs:

- Annual controls – test 1
- Quarterly controls – test 2
- Monthly controls – test 3
- Weekly controls – test 10
- Daily controls – test 20
- More than daily – test 30