

Parish Internal Control Assessments

Tuition and Other Fees

Rev Sept 2014

- 1) Review and evaluate internal controls relative to tuition and other fees.
 - a. Determine that pre-numbered duplicate receipts are issued for a sampling of monthly tuition collections if received by cash.
 - b. Verify that tuition payments are being deposited daily (preferably by those receiving the funds) with duplicates of written receipts attached to the deposit ticket.
 - c. Verify that proper segregation of duties exists between the collection of tuition payments, the accounting for tuition income, and the maintenance of detailed tuition records.
- 2) Obtain enrollment data and fee schedule and perform a reasonableness test of reported tuition and fee income based on the number of students and the fee schedule. If variance is greater than ten percent, investigate for possible reasons.
- 3) If reasonableness test was not met or reasons were unidentifiable, obtain tuition records maintained and perform the following to the extent considered necessary:
 - a. Ascertain if the tuition records appear complete. (I.e. Do the records appear to be representative of the number of students/families per class rosters or other enrollment data?) If not, attempt to ascertain at least one student/family for which the tuition records are not found, and inquire about this to responsible individuals. If no explanation is given, discuss matter with supervisor.
 - b. Select a judgmental sample of payment postings per the tuition records and trace back to a receipt (if receipts are issued) and to a bank deposit.
 - c. Select a sample from the bank deposit, receipts or envelopes and trace to postings in the tuition records.
- 4) Based on test work in 1 through 4, are policies consistently applied? Are delinquent accounts followed up in accordance with the policies? Select a sample of five delinquent accounts and determine if they are in compliance with the written policy.

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