

**DETROIT PUBLIC SCHOOLS**

Schedule of Findings and Questioned Costs

Year ended June 30, 2007

**2007-24 Bank Reconciliations – Timeliness**

**Finding Type: Internal Control over Financial Reporting – Significant Deficiency**

**Fiscal Year: July 1, 2006 to June 30, 2007**

***Requirement***

*Bank Reconciliations:* Per Michigan Public School Accounting Manual, Section VI, Paragraph A.02, (C), bank accounts should be reconciled monthly.

***Condition***

During our review over bank reconciliations, we noted that one bank reconciliation was not prepared and/or reviewed on a timely basis. The Concentration Account reconciliation was prepared on July 24, 2007, however, the reconciliation received a final manager review on August 22, 2007.

***Possible Asserted Cause and Effect***

The individuals responsible for preparing the reconciliation and reviewing the reconciliation did not complete their duties as timely as would be expected.

***Recommendation***

Control procedures should be monitored by management to ensure that they are being followed as designed. If individuals are found to not follow the policies and procedures in place, they should be subject to personnel actions that at a minimum should include additional monitoring and training.

***Views of Responsible Officials***

We understand and agree with the noted observation and are working toward corrective actions.

***Corrective Action Plan***

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*Signature*

\_\_\_\_\_  
*Date*