

Galion City School District
Crawford County, Ohio
Verbal Recommendations
June 30, 2021

1. Salary Variance – During testing of payroll transactions, we noted one instance of an employee pay being miscalculated and a \$7 overpayment. Although highly immaterial, we recommend the District ensure all payroll payments are proper.
2. T-shirt Sales – While testing athletic receipts, we noted there was a receipt for the sale of t-shirts which lacked proper support. We recommend a reconciliation, similar to that with ticket stubs for an athletic event, is maintained to provide support for the number of t-shirts sold going forward.
3. Sales Tax Payment - While testing credit card expenditures, we noted instances of sale tax being paid. While this amount is highly immaterial, as a Tax-Exempt Entity, we recommend the District take care as to avoid paying sales tax on any invoices.
4. Budgeted and Actual Variances – It was noted during budgetary testing that there were sizeable variances between the final budgeted amounts and the actual amounts at the function level. Although the District is only required to budget to the Fund Level, however we recommend that the District improve the budgeting process to ensure proper spending.
5. Foundation Payments – It was noted during the testing of foundation payments that several receipts were improperly posted between the tuition and intergovernmental – state receipt codes. We recommend the District consult with the USAS manual and foundation settlement reports when posting foundation receipts.
6. Preparation of Schedule of Expenditures of Federal Awards – JG made immaterial adjustments to the schedule of Expenditures of Federal Awards. We recommend the client include all federal expenditures in this schedule.
7. Debt Checks – During testing of debt payments we noted several interest payments recorded by the District did not match the amortization schedule, but did match the invoice. The District is working with the debt servicer to resolve this issue and we recommend the District continue to follow up on any further discrepancies.
8. Purchase Order Noncompliance – During testing of nonpayroll transactions we noted instances of invoices preceding purchase order dates. We recommend the District ensure purchase orders precede invoices and continue to use “then and now” certificates in these instances.
9. Expenditures Exceeding Purchase Orders – During testing of nonpayroll transactions we noted instances of expenditures exceeding purchase order amounts. We recommend the District ensure expenditures do not exceed purchase order amounts and issue additional purchase orders when this occurs.

10. Athletic Receipts – While testing athletic receipts, we noted instances of ticket reconciliations not being properly completed. We recommend the District ensure ticket reconciliations are completed for all athletic events.

Charlene Parkinson, Treasurer

Date