

PEARL RIVER COUNTY SCHOOL DISTRICT
NARRATIVE FOR SIGNIFICANT AUDIT AREAS
FYE 6/30/2022

AUDIT AREAS ADDRESSED:

General Fixed Assets

Narrative:

1. The school district maintains adequate subsidiaries on its buildings. The fixed asset records clearly identify buildings and cost associated with each building. On the listings, each individual building is recorded.
2. When the District processes its purchase orders, any items required to be recorded as fixed assets are coded to the 700's object code with the exception of object code 740.
3. Upon receipt of the equipment it is checked in by the appropriate school level personnel and a fixed asset number is assigned to that equipment by the Purchasing Clerk and a tag is placed on the equipment.
4. A fixed asset computer input sheet is then filled out by the appropriate school level personnel and given to the Purchasing Clerk to enter into the computer.
5. If the equipment is purchased locally and picked up by the teacher or other employee, a fixed asset tag is sent to the Financial Secretary at the school.
6. A copy of the fixed asset input is sent to the Financial Secretary for completion for local purchases. This is completed and returned to the Purchasing Clerk for input in the computer system.
7. The Financial Secretary indicates on the input sheet which classroom is responsible for the equipment.
8. When equipment is moved from one location to another a transfer request is completed and sent to the Purchasing Clerk at the Central Office for changes to be reflected in the computer system. This is completed through Marathon electronically.
9. When equipment is disposed of, a form for damaged equipment or broken equipment is completed. This is then presented to the School Board. The District then advertises for bids and sells item to the highest bidder or disposes of the item as approved by the Board.
10. An annual fixed asset audit is performed by each school/department. Responsible parties sign their room's inventory report to indicate all fixed assets are accounted for.

Audit Trail:

Annual fixed asset report
Monthly addition and deletion report
General ledger (700's object codes)