


Office of Shared Accountability  
MONTGOMERY COUNTY PUBLIC SCHOOLS  
Rockville, Maryland

September 3, 2014

MEMORANDUM

To: Mr. Joel L. Beidleman, Principal  
William H. Farquhar Middle School

From: Roger W. Pisha, Supervisor, Internal Audit 

Subject: Report on Audit of Independent Activity Funds for the Period  
June 1, 2012, through April 30, 2014

Independent Activity Funds (IAFs) of Montgomery County Public Schools (MCPS) are established to promote the general welfare, education, and morale of students as well as to finance the recognized extracurricular activities of the student body. Principals are the fiduciary agents for the IAFs charged with determining the manner in which funds are raised and expended for activities such as field trips, admission events, and fundraisers. They are responsible for ensuring that IAFs are administered in accordance with MCPS policies, regulations, and procedures.

IAF audits are conducted regularly to evaluate compliance with MCPS policies, regulations, and procedures, and to review processes for continuous improvement. Generally accepted audit procedures guide the work of the auditors who examine samples of IAF records and financial accounts selected from documentation of various activities to verify their accuracy as well as to assess the effectiveness of financial control procedures. An IAF audit does not review every transaction or school activity but seeks to provide reasonable assurance that there is compliance with MCPS policies, regulations, and procedures, and that any significant errors or omissions in the financial records are detected.

At your request, we met to review the results of our recently completed audit of your school's IAF records. We discussed the elements of effective internal control over funds and iterated that we found no material weaknesses in our prior audit report dated May 21, 2014. It should be noted that your appointment as principal was effective July 1, 2014. We noted a number of matters that would improve upon processes already in place, and provided a copy of the memo from the chief operating officer, which outlines the financial responsibilities of you and your staff for prudent and efficient use of financial resources. We again complimented Mrs. Shuhua Bell, financial specialist, whose records we found to be neat, orderly, and complete in every detail. You are encouraged to use the internal audit staff as a resource for any questions that may arise regarding controls over IAF resources. No response to this audit report is required.

RWP:LS:sd

Copy to:

Mr. Bowers	Dr. Statham	Dr. Williams	Mrs. Milwit
Dr. Navarro	Mr. Sanderson	Mrs. DeGraba	Mrs. Chen