

Internal Audit Unit
MONTGOMERY COUNTY BOARD OF EDUCATION
Rockville, Maryland

March 1, 2017

MEMORANDUM

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

From: Roger W. Pisha, Supervisor, Internal Audit Unit *mpata*

Subject: Report on Audit of Independent Activity Funds for the Period
November 1, 2015, through December 31, 2016

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 fund-raisers. They are responsible for ensuring that IAFs are administered in accordance with MCPS policies, regulations, and procedures.

The 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 our meeting on February 27, 2017, with you and Mrs. Shuhua D. Bell, school financial specialist, we reviewed the items that were discussed at the conclusion of our previous audit, as well as a few minor additional items that could improve the effectiveness of existing controls. The IAF records reflect compliance with MCPS policies and regulations. No response to this report is necessary.

RWP:AMB:lsh

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