


Internal Audit Unit  
MONTGOMERY COUNTY BOARD OF EDUCATION  
Rockville, Maryland

March 13, 2025

MEMORANDUM

To: Ms. Kimberly A. Henriquez, Principal  
Germantown Elementary School

From: Mary J. Bergstresser, Supervisor, Internal Audit Unit 

Subject: Report on Audit of Independent Activity Funds for the Period  
April 1, 2022 through January 31, 2025

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. School 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 the IAFs are administered in accordance with Board of Education policies and MCPS regulations and procedures.

The IAF audits are conducted regularly to evaluate compliance with 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 the 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 any significant errors or omissions in the financial records are detected.

At our March 5, 2025, meeting with you, and Ms. Judith A. Starlings, the school administrative secretary (secretary), we reviewed the prior audit report dated April 27, 2022, and the status of the present conditions. It should be noted that your appointment as principal was effective August 1, 2024. This audit report presents the findings and recommendations resulting from our examination of the IAF records and financial accounts for your school for the period designated above.

**Findings and Recommendations**

Cash and checks collected by sponsors and others for IAF activities must be remitted promptly to the secretary with a completed MCPS Form 280-34, *Independent Activity Fund (IAF) Remittance Slip*. Form 280-34 must be completed and signed by the sponsor and reviewed by the secretary for accuracy when funds are verified in the presence of the remitter. These funds must be deposited promptly, and all receipts must be deposited on the last working day of each month and before each weekend or holiday (refer to the *MCPS Financial Manual*, chapter 7, pages 4-5). We noted that the secretary was not always making deposits regularly and funds were held over weekend,

holiday's or the last working day of the month. To minimize the risk of loss, all funds remitted to the secretary must be deposited promptly to the bank and a contingency plan should be in place to secure funds and take them to the bank in the unforeseen absence of the secretary.

### **Notice of Findings and Recommendations**

- Cash and checks (funds) remitted by sponsors must be promptly received and deposited in the bank by the secretary in accordance with Chapter 7 of the *MCPS Financial Manual*.

Other matters were discussed and satisfactorily resolved. We appreciate the cooperation and assistance of your staff. In accordance with MCPS Regulation DIA-RA, *Accounting for Financial Operations/Independent Activity Funds*, using the attached action plan, please provide a written response to the Internal Audit Unit within 30 calendar days of this report. In your response, please share a detailed plan for addressing these issues, including appropriate staff training and support.

Prior to returning your completed audit action plan, please contact Mr. David Chia, director of school support and improvement, Office of School Support and Improvement, for written approval of your plan. Based on the audit recommendations, Mr. Chia will indicate whether he will conduct an electronic review of your action plan or schedule a time to meet in person with you and your school administrative secretary to support you with developing a well-defined plan to address the findings.

MJB:ABB:rg

Attachment

Copy to:

Members of the Board of Education

Dr. Taylor

Mrs. Alfonso-Windsor

Ms. McGuire

Dr. Moran

Mrs. Williams

Dr. Campbell

Mr. Reilly

Mrs. Chen

Mr. Chia

Mrs. Gomez

Mr. Klausling

Mrs. Ripoli

Ms. Webb

## FINANCIAL MANAGEMENT ACTION PLAN

<b>Report Date:</b> 3/13/25	<b>Fiscal Year:</b> 2025
<b>School or Office Name:</b> Germantown ES	<b>Principal:</b> Kimberly Henriquez
<b>OSSI Associate Superintendent:</b> Dr. Tamitha Campbell	<b>OSSI Director:</b> Mr. David Chia
<p><b><u>Strategic Improvement Focus:</u></b>          As noted in the financial audit for the period <u>4/1/22-1/31/25</u>, strategic improvements are required in the following business processes :</p> <p>Cash and checks (funds) remitted by sponsors must be promptly receipted and deposited in the bank by the secretary in accordance with Chapter 7 of the MCPS Fin. Man.</p>	


Action Steps	Person(s) Responsible	Resources Needed	Monitoring Tools / Data Points	Monitoring: Who & When	Results/Evidence
Administrative secretary will deposit funds promptly, and all receipts will be deposited on the last working day of the month and before each weekend or holiday.	Admin Sec	Reminder on calendar	Bank Receipts Teacher Receipts Bank Statement	Principal-on going	Principal will compare the teacher receipts to the bank statements each month
In the event the administrative secretary is unable to take any funds to the bank due to unforeseen circumstances, admin will take the deposit.	Admin Sec Administrators	None	Bank Receipts	Principal- on going	There will be no future errors based on fund deposits.

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**OFFICE OF SCHOOL SUPPORT AND WELL-BEING (OSSWB)**

Approved       Please revise and resubmit plan by \_\_\_\_\_

Comments: \_\_\_\_\_

Director:       Date: 3/18/25